

1 A bill to be entitled
2 An act relating to Medicaid; amending s. 395.602,
3 F.S.; revising the definition of the term "rural
4 hospital"; extending the designation of certain
5 critical access hospitals as rural hospitals until a
6 specified date; amending s. 409.908, F.S.; removing
7 community intermediate care facilities for the
8 developmentally disabled from a restriction on changes
9 in reimbursement rates; amending s. 409.911, F.S.;
10 updating references to data used for calculating
11 disproportionate share program payments to certain
12 hospitals; providing for continuance of Medicaid
13 disproportionate share distributions for certain
14 nonstate government owned or operated hospitals;
15 amending s. 409.967, F.S.; providing that certain
16 achieved savings rebates be placed in the General
17 Revenue Fund, unallocated; providing for the deposit
18 of contributions by managed care plans to support
19 Medicaid and indigent care; amending s. 409.975, F.S.;
20 removing a requirement that the Agency for Health Care
21 Administration support Healthy Start services with
22 public expenditures and federal matching funds;
23 amending s. 409.983, F.S.; specifying factors that the
24 agency must consider to reconcile payments to long-
25 term care managed care plans; repealing s. 409.97,
26 F.S., relating to state and local Medicaid

27 | partnerships; prohibiting the agency from entering
 28 | into out-of-state partnerships for certain fiscal
 29 | services; specifying exclusivity of the Florida
 30 | Medicaid Management Information System and Decision
 31 | Support System to the state; providing effective
 32 | dates.

33 |

34 | Be It Enacted by the Legislature of the State of Florida:

35 |

36 | Section 1. Paragraph (e) of subsection (2) of section
 37 | 395.602, Florida Statutes, is amended to read:

38 | 395.602 Rural hospitals.—

39 | (2) DEFINITIONS.—As used in this part:

40 | (e) "Rural hospital" means an acute care hospital licensed
 41 | under this chapter, having 100 or fewer licensed beds and an
 42 | emergency room, which is:

43 | 1. The sole provider within a county with a population
 44 | density of up to 100 persons per square mile;

45 | 2. An acute care hospital, in a county with a population
 46 | density of up to 100 persons per square mile, which is at least
 47 | 30 minutes of travel time, on normally traveled roads under
 48 | normal traffic conditions, from any other acute care hospital
 49 | within the same county;

50 | 3. A hospital supported by a tax district or subdistrict
 51 | whose boundaries encompass a population of up to 100 persons per
 52 | square mile;

53 ~~4. A hospital classified as a sole community hospital~~
54 ~~under 42 C.F.R. s. 412.92 which has up to 340 licensed beds;~~

55 4.5. A hospital with a service area that has a population
56 of up to 100 persons per square mile. As used in this
57 subparagraph, the term "service area" means the fewest number of
58 zip codes that account for 75 percent of the hospital's
59 discharges for the most recent 5-year period, based on
60 information available from the hospital inpatient discharge
61 database in the Florida Center for Health Information and Policy
62 Analysis at the agency; or

63 ~~5.6.~~ A hospital designated as a critical access hospital,
64 as defined in s. 408.07(15) ~~408.07~~.

65
66 Population densities used in this paragraph must be based upon
67 the most recently completed United States census. A hospital
68 that received funds under s. 409.9116 for a quarter beginning no
69 later than July 1, 2002, is deemed to have been and shall
70 continue to be a rural hospital from that date through June 30,
71 2021 ~~2015~~, if the hospital continues to have up to 100 licensed
72 beds and an emergency room. An acute care hospital that has not
73 previously been designated as a rural hospital and that meets
74 the criteria of this paragraph shall be granted such designation
75 upon application, including supporting documentation, to the
76 agency. A hospital that was licensed as a rural hospital during
77 the 2010-2011 or 2011-2012 fiscal year shall continue to be a
78 rural hospital from the date of designation through June 30,

79 2021 ~~2015~~, if the hospital continues to have up to 100 licensed
80 beds and an emergency room.

81 Section 2. Paragraph (c) of subsection (23) of section
82 409.908, Florida Statutes, is amended to read:

83 409.908 Reimbursement of Medicaid providers.—Subject to
84 specific appropriations, the agency shall reimburse Medicaid
85 providers, in accordance with state and federal law, according
86 to methodologies set forth in the rules of the agency and in
87 policy manuals and handbooks incorporated by reference therein.
88 These methodologies may include fee schedules, reimbursement
89 methods based on cost reporting, negotiated fees, competitive
90 bidding pursuant to s. 287.057, and other mechanisms the agency
91 considers efficient and effective for purchasing services or
92 goods on behalf of recipients. If a provider is reimbursed based
93 on cost reporting and submits a cost report late and that cost
94 report would have been used to set a lower reimbursement rate
95 for a rate semester, then the provider's rate for that semester
96 shall be retroactively calculated using the new cost report, and
97 full payment at the recalculated rate shall be effected
98 retroactively. Medicare-granted extensions for filing cost
99 reports, if applicable, shall also apply to Medicaid cost
100 reports. Payment for Medicaid compensable services made on
101 behalf of Medicaid eligible persons is subject to the
102 availability of moneys and any limitations or directions
103 provided for in the General Appropriations Act or chapter 216.
104 Further, nothing in this section shall be construed to prevent

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105 or limit the agency from adjusting fees, reimbursement rates,
106 lengths of stay, number of visits, or number of services, or
107 making any other adjustments necessary to comply with the
108 availability of moneys and any limitations or directions
109 provided for in the General Appropriations Act, provided the
110 adjustment is consistent with legislative intent.

111 (23)

112 (c) This subsection applies to the following provider
113 types:

- 114 1. Inpatient hospitals.
- 115 2. Outpatient hospitals.
- 116 3. Nursing homes.
- 117 4. County health departments.
- 118 5. ~~Community intermediate care facilities for the~~
119 ~~developmentally disabled.~~

120 5.6 Prepaid health plans.

121 Section 3. Paragraph (a) of subsection (2) and paragraph
122 (d) of subsection (4) of section 409.911, Florida Statutes, are
123 amended to read:

124 409.911 Disproportionate share program.—Subject to
125 specific allocations established within the General
126 Appropriations Act and any limitations established pursuant to
127 chapter 216, the agency shall distribute, pursuant to this
128 section, moneys to hospitals providing a disproportionate share
129 of Medicaid or charity care services by making quarterly
130 Medicaid payments as required. Notwithstanding the provisions of

131 s. 409.915, counties are exempt from contributing toward the
 132 cost of this special reimbursement for hospitals serving a
 133 disproportionate share of low-income patients.

134 (2) The Agency for Health Care Administration shall use
 135 the following actual audited data to determine the Medicaid days
 136 and charity care to be used in calculating the disproportionate
 137 share payment:

138 (a) The average of the ~~2005~~, 2006, ~~and 2007~~, and 2008
 139 audited disproportionate share data to determine each hospital's
 140 Medicaid days and charity care for the 2015-2016 ~~2014-2015~~ state
 141 fiscal year.

142 (4) The following formulas shall be used to pay
 143 disproportionate share dollars to public hospitals:

144 (d) Any nonstate government owned or operated hospital
 145 eligible for payments under this section on July 1, 2011,
 146 remains eligible for payments during the 2015-2016 ~~2014-2015~~
 147 state fiscal year.

148 Section 4. Paragraph (f) of subsection (3) and paragraph
 149 (c) of subsection (4) of section 409.967, Florida Statutes, are
 150 amended to read:

151 409.967 Managed care plan accountability.—

152 (3) ACHIEVED SAVINGS REBATE.—

153 (f) Achieved savings rebates validated by the certified
 154 public accountant are due within 30 days after the report is
 155 submitted. Except as provided in paragraph (h), the achieved
 156 savings rebate is established by determining pretax income as a

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157 percentage of revenues and applying the following income sharing
158 ratios:

159 1. One hundred percent of income up to and including 5
160 percent of revenue shall be retained by the plan.

161 2. Fifty percent of income above 5 percent and up to 10
162 percent shall be retained by the plan, and the other 50 percent
163 refunded to the state and transferred to the General Revenue
164 Fund, unallocated.

165 3. One hundred percent of income above 10 percent of
166 revenue shall be refunded to the state and transferred to the
167 General Revenue Fund, unallocated.

168 (4) MEDICAL LOSS RATIO.—If required as a condition of a
169 waiver, the agency may calculate a medical loss ratio for
170 managed care plans. The calculation shall use uniform financial
171 data collected from all plans and shall be computed for each
172 plan on a statewide basis. The method for calculating the
173 medical loss ratio shall meet the following criteria:

174 (c) Prior to final determination of the medical loss ratio
175 for any period, a plan may contribute to a designated state
176 trust fund for the purpose of supporting Medicaid and indigent
177 care and have the contribution counted as a medical expenditure
178 for the period. Funds contributed for this purpose shall be
179 deposited into the Grants and Donations Trust Fund.

180 Section 5. Paragraph (a) of subsection (4) of section
181 409.975, Florida Statutes, is amended to read:

182 409.975 Managed care plan accountability.—In addition to

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183 the requirements of s. 409.967, plans and providers
184 participating in the managed medical assistance program shall
185 comply with the requirements of this section.

186 (4) MOMCARE NETWORK.—

187 (a) The agency shall contract with an administrative
188 services organization representing all Healthy Start Coalitions
189 providing risk appropriate care coordination and other services
190 in accordance with a federal waiver and pursuant to s. 409.906.
191 The contract shall require the network of coalitions to provide
192 counseling, education, risk-reduction and case management
193 services, and quality assurance for all enrollees of the waiver.
194 The agency shall evaluate the impact of the MomCare network by
195 monitoring each plan's performance on specific measures to
196 determine the adequacy, timeliness, and quality of services for
197 pregnant women and infants. ~~The agency shall support this~~
198 ~~contract with certified public expenditures of general revenue~~
199 ~~appropriated for Healthy Start services and any earned federal~~
200 ~~matching funds.~~

201 Section 6. Subsection (6) of section 409.983, Florida
202 Statutes, is amended to read:

203 409.983 Long-term care managed care plan payment.—In
204 addition to the payment provisions of s. 409.968, the agency
205 shall provide payment to plans in the long-term care managed
206 care program pursuant to this section.

207 (6) The agency shall establish nursing-facility-specific
208 payment rates for each licensed nursing home based on facility

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209 costs adjusted for inflation and other factors as authorized in
210 the General Appropriations Act. Payments to long-term care
211 managed care plans shall be reconciled to reimburse actual
212 payments to nursing facilities resulting from changes in nursing
213 home per diem rates, but may not be reconciled to actual days
214 experienced by the long-term care managed care plans.

215 Section 7. Section 409.97, Florida Statutes, is repealed.

216 Section 8. Effective upon this act becoming a law, the
217 Agency for Health Care Administration shall not partner with any
218 other state or territory for the purposes of providing Medicaid
219 fiscal agent operations. The Florida Medicaid Management
220 Information System and Decision Support System shall be for use
221 only by the State of Florida.

222 Section 9. Except as otherwise expressly provided in this
223 act and except for this section, which shall take effect upon
224 this act becoming law, this act shall take effect July 1, 2015.