

THE FLORIDA SENATE
2013 SUMMARY OF LEGISLATION PASSED
Committee on Appropriations

SB 1520— Medicaid

by Appropriations

This bill:

- Amends the definition of a “rural hospital” to provide that hospitals licensed as rural hospitals in the 2010-2011 or 2011-2012 fiscal years are deemed to continue to be rural hospitals from the date of designation through June 30, 2015, if they continue to have 100 or fewer beds and an emergency room.
- Repeals current law that directs the Agency for Health Care Administration (AHCA) to set inpatient hospital rates based on allowable costs, requires the use of diagnosis-related groups (DRGs) for inpatient hospital reimbursement, allows DRG reimbursement to be modified if authorized under the GAA, and maintains cost-based rates for hospital outpatient reimbursement.
- Creates the Statewide Medicaid Residency Program in AHCA. For this program, graduate medical education (GME) funds related to Medicaid are removed from regular hospital reimbursement payments and will instead be subject to a formula-based distribution. Each hospital participating in the program will receive an annual allocation determined by a calculation of the hospital’s percentage of total residents statewide and the hospital’s percentage of total Medicaid inpatient reimbursement among participating hospitals.
- Repeals the Community Hospital Education Act.
- Conforms Medicaid third-party liability statutes to a recent U.S. Supreme Court ruling.
- Updates the years of audited data that AHCA uses to determine each hospital’s Medicaid days and charity care for the disproportionate share hospital (DSH) programs.
- Amends the DSH program for specialty hospitals to account for DSH dollars that previously went to A.G. Holley Hospital by redirecting those dollars to hospitals under contract with the Department of Health to provide those services.
- Reenacts a provision in the Medicaid managed care selection and assignment statutes so that Medicaid recipients with HIV/AIDS who fail to choose a managed care plan on their own will continue to be assigned to an HIV/AIDS specialty plan.
- Replaces the current Medicaid county billing methodology with a new cost-sharing system.
- Repeals and replaces a paragraph of proviso in the General Appropriations Act to correct a scrivener’s error.

If approved by the Governor, these provisions take effect July 1, 2013.

Vote: Senate 33-6; House 79-38