A bill to be entitled
An act relating to Medicaid reimbursement for hospital
providers; amending s. 409.908, F.S.; requiring the
Agency for Health Care Administration to provide
written notice, pursuant to ch. 120, F.S., to
providers of hospital reimbursement rates established
by the agency; providing that such notice constitutes
final agency action; specifying procedures and
requirements for a substantially affected provider to
challenge the final agency action; providing that the
failure to timely file a petition in compliance with
the requirements is deemed conclusive acceptance of
the reimbursement rates; specifying when a correction
or adjustment of a hospital reimbursement rate
required by an administrative order or civil judgment
may occur; prohibiting the agency from being compelled
by an administrative body or court to pay a monetary
judgment relating to the establishment of hospital
reimbursement rates beyond a specified date;
prohibiting specified periods of time from being
tolled under certain circumstances; reenacting ss.
383.18, 409.8132(4), 409.905(5)(c) and (6)(b), and
409.91211(3)(y), F.S., to incorporate the amendment
made to s. 409.908, F.S., in references thereto;
providing that the act is remedial and intended to
clarify existing law; providing for retroactive
application; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:
Section 1. Paragraph (e) is added to subsection (1) of section 409.908, Florida Statutes, to read:

409.908 Reimbursement of Medicaid providers.—Subject to specific appropriations, the agency shall reimburse Medicaid providers, in accordance with state and federal law, according to methodologies set forth in the rules of the agency and in policy manuals and handbooks incorporated by reference therein. These methodologies may include fee schedules, reimbursement methods based on cost reporting, negotiated fees, competitive bidding pursuant to s. 287.057, and other mechanisms the agency considers efficient and effective for purchasing services or goods on behalf of recipients. If a provider is reimbursed based on cost reporting and submits a cost report late and that cost report would have been used to set a lower reimbursement rate for a rate semester, then the provider’s rate for that semester shall be retroactively calculated using the new cost report, and full payment at the recalculated rate shall be effected retroactively. Medicare-granted extensions for filing cost reports, if applicable, shall also apply to Medicaid cost reports. Payment for Medicaid compensable services made on behalf of Medicaid eligible persons is subject to the availability of moneys and any limitations or directions provided for in the General Appropriations Act or chapter 216. Further, nothing in this section shall be construed to prevent or limit the agency from adjusting fees, reimbursement rates, lengths of stay, number of visits, or number of services, or making any other adjustments necessary to comply with the availability of moneys and any limitations or directions.
provided for in the General Appropriations Act, provided the adjustment is consistent with legislative intent.

(1) Reimbursement to hospitals licensed under part I of chapter 395 must be made prospectively or on the basis of negotiation.

(e)1. Pursuant to chapter 120, the agency shall furnish to providers written notice of the hospital reimbursement rates established by the agency. The written notice constitutes final agency action. A substantially affected provider may request an administrative hearing to challenge the final agency action by filing a petition with the agency within 21 days after receipt of the written notice. The petition must include all documentation supporting the challenge upon which the provider intends to rely at the administrative hearing or in any subsequent civil action. The failure to timely file a petition in compliance with this subparagraph is deemed conclusive acceptance of the hospital reimbursement rates established by the agency.

2. A correction or adjustment of a hospital reimbursement rate that is required by an administrative order or civil judgment shall be reconciled in the first rate period after the order or judgment becomes final; however, such reconciliation may not occur more than 5 years after the date on which the provider received written notice under subparagraph 1.

3. The agency may not be compelled by an administrative body or court to pay a monetary judgment relating to the establishment of hospital reimbursement rates by the agency more than 5 years after the date on which the provider received written notice under subparagraph 1.
4. The periods of time specified in this paragraph are not tolled by the pendency of an administrative or civil proceeding.

Section 2. Section 383.18, subsection (4) of s. 409.8132, paragraph (c) of subsection (5) and paragraph (b) of subsection (6) of s. 409.905, and paragraph (y) of subsection (3) of s. 409.91211, Florida Statutes, are reenacted for the purpose of incorporating the amendment made by this act to s. 409.908, Florida Statutes, in references thereto.

Section 3. The amendment made by this act to s. 409.908, Florida Statutes, is remedial in nature, is intended to clarify existing law, and applies retroactively to all proceedings pending or commenced on or after the date on which this act takes effect.

Section 4. This act shall take effect upon becoming a law.