

THE FLORIDA SENATE
2015-A SUMMARY OF LEGISLATION PASSED
Committee on Appropriations

SB 2508-A — Medicaid

by Lee

The bill:

- Amends the definition of “rural hospital” to delete the provision that hospitals classified as “sole community hospitals” under federal guidelines are automatically qualified as rural hospitals under Florida law if they have no more than 340 beds.
- Authorizes the Agency for Health Care Administration (AHCA) to receive intergovernmental transfers (IGTs) of funds from local governmental entities for the advancement of the Medicaid program and directs AHCA to seek federal waiver authority to maintain a low-income pool under parameters provided in the General Appropriations Act for offsetting shortfalls in Medicaid reimbursement or paying for otherwise uncompensated care.
- Confirms and clarifies existing law regarding reimbursement provisions, provider notification requirements, and the administrative challenge process for Medicaid inpatient and outpatient hospital rates. Specifies that the written notice of the hospital reimbursement rates provided by AHCA constitutes final agency action for purposes of administrative challenges to the hospital reimbursement rates.
- Reenacts three statutory provisions for the purpose of incorporating the bill’s clarifications to reimbursement provisions, provider notification requirements, and the administrative challenge process for Medicaid inpatient and outpatient hospital rates.
- Removes community intermediate care facilities for the developmentally disabled from the list of providers for which AHCA is required to set rates at levels that ensure no increase in statewide expenditures resulting from changes in unit costs.
- Provides that quality assessments paid by nursing homes to AHCA are due on the 20th of each month, instead of the 15th of each month as under current law.
- Creates the Graduate Medical Education Startup Bonus Program within the Statewide Medicaid Residency Program (SMRP). In any fiscal year in which funds are appropriated for the startup bonus program, hospitals eligible to participate in the SMRP may apply for up to \$100,000 per newly created residency slot that is dedicated to a physician specialty in statewide supply/demand deficit. Such physician specialties and subspecialties are those identified in the General Appropriations Act.
- Amends statutes relating to the Disproportionate Share Hospital (DSH) program and requires AHCA to use the average of the 2007, 2008, and 2009 audited disproportionate share data to determine each hospital’s Medicaid days and charity care for the 2015-2016 fiscal year, instead of the average of the 2005, 2006, and 2007 data as under current law.
- Amends the Statewide Medicaid Managed Care program to:
 - Provide that achieved savings rebates that are refunded to the state by Medicaid managed care plans will be placed in the General Revenue Fund, unallocated;
 - Provide that funds contributed by managed care plans for the purpose of supporting Medicaid indigent care will be deposited into the Grants and Donations Trust Fund;

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- Provide that when payments from AHCA to managed care plans within the Long-Term Care Managed Care (LTCMC) component are reconciled to reimburse plans for actual payments to nursing facilities, the reconciliations must result from changes in nursing home per diem rates and that payments may not be reconciled to actual nursing home bed-days experienced by the LTCMC plans; and
- Repeal s. 409.97, F.S., relating to state and local Medicaid partnerships.
- Deletes a statutory provision requiring AHCA to use certified public expenditures of general revenue appropriated for Healthy Start services, including any associated federal match, for the purpose of supporting AHCA's contract with an administrative services organization representing all Healthy Start coalitions.
- Provides that AHCA may partner with a state or territory for the purpose of providing Medicaid fiscal agent operations only if Florida may terminate such a partnership if the state decides it is not in the best interest of the state.
- Provides that the model, methodology, and framework for hospital funding programs contained in the document titled "Medicaid Hospital Funding Programs," dated June 16, 2015, are incorporated by reference for the purpose of displaying, demonstrating, and explaining the calculations used by the Legislature when making appropriations in the General Appropriations Act for the 2015-2016 fiscal year for various Medicaid programs. Provides Legislative intent regarding the appropriations for various Medicaid programs and provides for the bill to be deemed invalid, non-severable, and to have never become law under specified conditions.

If approved by the Governor, these provisions are effective on July 1, 2015.

Vote: Senate 37-0; House 81-32