

Committee on Budget

HB 5301 — Medicaid Services

by Health Care Appropriations Subcommittee and Rep. Hudson and others (SB 1988 by Budget Committee)

The bill provides for the following:

- Removes the prohibition against subsidized Kidcare coverage for children of public employees who are eligible for state group health insurance, thereby allowing children of public employees to enroll in subsidized Kidcare if they meet the program's eligibility requirements.
- Directs the Department of Children and Families (DCF) and the Agency for Health Care Administration (AHCA), subject to an appropriation, to develop a new system of eligibility for Medicaid and Kidcare, consistent with requirements of federal and state laws.
- Limits Medicaid payment for hospital emergency room services for non-pregnant adults to 6 visits per year.
- Changes the statutory deadline for Medicaid hospital rates to be adjusted within any fiscal year from September 30 to October 31. Allows rate reductions beyond the deadline only in cases of insufficient collections of funds voluntarily donated by local taxing authorities designed to augment hospital rates.
- Revises the timeline and parameters for AHCA to develop a plan to transfer the state's hospital payments to a diagnosis related group (DRG) system, with a target implementation date of July 1, 2013, subject to Legislative approval.
- Updates statutes relating to the disproportionate share hospital (DSH) program so the program uses the proper data to calculate the distribution of dollars. Also repeals two sections of statute for two perennially unfunded DSH programs.
- Revises the methodology for determining a county's eligible recipients for the purpose of county contributions to Medicaid and revises the methodology of collecting those funds.
 - For past due billings, a county may pay 85 percent of the amount due over the next five years. In the alternative, a county may choose to be subject to 100 percent of the past due amount but can make a claim before the Division of Administrative Hearings to have the amount reduced if the county believes the amount billed is incorrect.
 - For prospective billings, the state each month will withhold from a county's distribution of funds from the local government half-cent sales tax an amount equal to the county's required contribution to Medicaid for that month. If a county believes the state has withheld too much due to errors in the state's Medicaid eligibility system data base, the county may request a refund based on reasons submitted with the request.
 - The bill also requires AHCA and DCF to create a system for hospitals and nursing homes to assist the state in making any needed updates in the Medicaid data base for Medicaid recipients' county of residence when recipients are admitted. If updates are needed, they must be performed within 10 days of admission
- Expands statewide two Medicaid anti-fraud pilot projects relating to home health care.

- Authorizes the establishment or expansion of Programs of All-inclusive Care for the Elderly (PACE) in Manatee, Sarasota, DeSoto, and Broward counties.
- Expands statewide a pilot project for the delivery of Medicaid services for persons diagnosed with HIV/AIDS, in partnership with a university-based, research-oriented program that specializes in health care for HIV/AIDS patients.

If approved by the Governor, section 12 of the bill will take effect upon becoming law, other provisions take effect July 1, 2012.

Vote: Senate 23-17; House 73-36