Bill No. CS for CS for SB 2242, 1st Eng.

Amendment No. ____

| | CHAMBER ACTION Senate House |
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| 11 | Senator Saunders moved the following amendment: |
| 12 | |
| 13 | Senate Amendment (with title amendment) |
| 14 | On page 15, line 4, through |
| 15 | page 16, line 24, delete those lines |
| 16 | |
| 17 | and insert: |
| 18 | Section 8. Paragraph (a) of subsection (1), paragraph |
| 19 | (b) of subsection (2), and paragraph (c) of subsection (13) of |
| 20 | section 409.908, Florida Statutes, are amended to read: |
| 21 | 409.908 Reimbursement of Medicaid providersSubject |
| 22 | to specific appropriations, the agency shall reimburse |
| 23 | Medicaid providers, in accordance with state and federal law, |
| 24 | according to methodologies set forth in the rules of the |
| 25 | agency and in policy manuals and handbooks incorporated by |
| 26 | reference therein. These methodologies may include fee |
| 27 | schedules, reimbursement methods based on cost reporting, |
| 28 20 | negotiated fees, competitive bidding pursuant to s. 287.057, |
| 29 30 | and other mechanisms the agency considers efficient and effective for purchasing services or goods on behalf of |
| 30 31 | recipients. Payment for Medicaid compensable services made on |
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behalf of Medicaid eligible persons is subject to the 1 2 availability of moneys and any limitations or directions 3 provided for in the General Appropriations Act or chapter 216. 4 Further, nothing in this section shall be construed to prevent 5 or limit the agency from adjusting fees, reimbursement rates, 6 lengths of stay, number of visits, or number of services, or 7 making any other adjustments necessary to comply with the availability of moneys and any limitations or directions 8 9 provided for in the General Appropriations Act, provided the 10 adjustment is consistent with legislative intent. 11 (1) Reimbursement to hospitals licensed under part I 12 of chapter 395 must be made prospectively or on the basis of 13 negotiation. 14 (a) Reimbursement for inpatient care is limited as 15 provided for in s. 409.905(5). Reimbursement for hospital 16 outpatient care is limited to\$1,500\$1,000 per state fiscal 17 year per recipient, except for: 1. Such care provided to a Medicaid recipient under 18 age 21, in which case the only limitation is medical 19 20 necessity; 21 2. Renal dialysis services; and 22 3. Other exceptions made by the agency. 23 (2) 24 (b) Subject to any limitations or directions provided 25 for in the General Appropriations Act, the agency shall 26 establish and implement a Florida Title XIX Long-Term Care 27 Reimbursement Plan (Medicaid) for nursing home care in order 28 to provide care and services in conformance with the applicable state and federal laws, rules, regulations, and 29 30 quality and safety standards and to ensure that individuals 31 eligible for medical assistance have reasonable geographic

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access to such care. Under the plan, interim rate adjustments 1 2 shall not be granted to reflect increases in the cost of 3 general or professional liability insurance for nursing homes 4 unless the following criteria are met: have at least a 65 percent Medicaid utilization in the most recent cost report 5 submitted to the agency, and the increase in general or б professional liability costs to the <u>facility for the most</u> 7 recent policy period affects the total Medicaid per diem by at 8 least 5 percent. This rate adjustment shall not result in the 9 10 per diem exceeding the class ceiling. This provision shall apply only to fiscal year 2000-2001 and shall be implemented 11 12 to the extent that existing appropriations are available. The agency shall report to the Governor, the Speaker of the House 13 of Representatives, and the President of the Senate by 14 December 31, 2000, on the cost of liability insurance for 15 16 Florida nursing homes for fiscal years 1999 and 2000 and the 17 extent to which these costs are not being compensated by the 18 Medicaid program. Medicaid participating nursing homes shall be required to report to the agency information necessary to 19 20 compile this report. Effective no earlier than the rate-setting period beginning April 1, 1999, the agency shall 21 establish a case-mix reimbursement methodology for the rate of 22 payment for long-term care services for nursing home 23 24 residents. The agency shall compute a per diem rate for 25 Medicaid residents, adjusted for case mix, which is based on a resident classification system that accounts for the relative 26 27 resource utilization by different types of residents and which is based on level-of-care data and other appropriate data. The 28 case-mix methodology developed by the agency shall take into 29 30 account the medical, behavioral, and cognitive deficits of 31 residents. In developing the reimbursement methodology, the

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agency shall evaluate and modify other aspects of the 1 2 reimbursement plan as necessary to improve the overall 3 effectiveness of the plan with respect to the costs of patient 4 care, operating costs, and property costs. In the event 5 adequate data are not available, the agency is authorized to 6 adjust the patient's care component or the per diem rate to 7 more adequately cover the cost of services provided in the patient's care component. The agency shall work with the 8 Department of Elderly Affairs, the Florida Health Care 9 10 Association, and the Florida Association of Homes for the 11 Aging in developing the methodology. It is the intent of the 12 Legislature that the reimbursement plan achieve the goal of 13 providing access to health care for nursing home residents who 14 require large amounts of care while encouraging diversion 15 services as an alternative to nursing home care for residents 16 who can be served within the community. The agency shall base 17 the establishment of any maximum rate of payment, whether 18 overall or component, on the available moneys as provided for in the General Appropriations Act. The agency may base the 19 20 maximum rate of payment on the results of scientifically valid 21 analysis and conclusions derived from objective statistical 22 data pertinent to the particular maximum rate of payment. 23 24 25 And the title is amended as follows: 26 27 On page 1, line 28, following the semicolon 28 29 insert: prohibiting interim rate adjustments that 30 31 reflect increases in the cost of general or 4 8:32 PM 05/01/00

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