Bill No. CS for CS for CS for SB 1202 Amendment No. ____ Barcode 762432 CHAMBER ACTION Senate House 1 2 3 4 5 6 7 8 9 10 Senators Brown-Waite and Silver moved the following amendment: 11 12 13 Senate Amendment (with title amendment) On page 114, between lines 24 and 25, 14 15 16 insert: 17 Section 54. Paragraph (b) of subsection (2) of section 409.908, Florida Statutes, is amended to read: 18 409.908 Reimbursement of Medicaid providers.--Subject 19 20 to specific appropriations, the agency shall reimburse Medicaid providers, in accordance with state and federal law, 21 22 according to methodologies set forth in the rules of the agency and in policy manuals and handbooks incorporated by 23 24 reference therein. These methodologies may include fee 25 schedules, reimbursement methods based on cost reporting, 26 negotiated fees, competitive bidding pursuant to s. 287.057, 27 and other mechanisms the agency considers efficient and 28 effective for purchasing services or goods on behalf of 29 recipients. Payment for Medicaid compensable services made on 30 behalf of Medicaid eligible persons is subject to the availability of moneys and any limitations or directions 31 1 12:46 PM 04/23/01

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provided for in the General Appropriations Act or chapter 216. 1 2 Further, nothing in this section shall be construed to prevent 3 or limit the agency from adjusting fees, reimbursement rates, 4 lengths of stay, number of visits, or number of services, or 5 making any other adjustments necessary to comply with the 6 availability of moneys and any limitations or directions 7 provided for in the General Appropriations Act, provided the adjustment is consistent with legislative intent. 8

9 (2)(b) Subject to any limitations or directions 10 provided for in the General Appropriations Act, the agency shall establish and implement a Florida Title XIX Long-Term 11 12 Care Reimbursement Plan (Medicaid) for nursing home care in order to provide care and services in conformance with the 13 applicable state and federal laws, rules, regulations, and 14 15 quality and safety standards and to ensure that individuals 16 eligible for medical assistance have reasonable geographic 17 access to such care. The agency shall not provide for any increases in reimbursement rates to nursing homes associated 18 with changes in ownership.Under the plan, interim rate 19 adjustments shall not be granted to reflect increases in the 20 21 cost of general or professional liability insurance for nursing homes unless the following criteria are met: have at 22 least a 65 percent Medicaid utilization in the most recent 23 cost report submitted to the agency, and the increase in 24 general or professional liability costs to the facility for 25 the most recent policy period affects the total Medicaid per 26 27 diem by at least 5 percent. This rate adjustment shall not 28 result in the per diem exceeding the class ceiling. This provision shall apply only to fiscal year 2000-2001 and shall 29 30 be implemented to the extent existing appropriations are 31 available. The agency shall report to the Governor, the

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Speaker of the House of Representatives, and the President of 1 2 the Senate by December 31, 2000, on the cost of liability 3 insurance for Florida nursing homes for fiscal years 1999 and 4 2000 and the extent to which these costs are not being 5 compensated by the Medicaid program. Medicaid-participating nursing homes shall be required to report to the agency 6 7 information necessary to compile this report. Effective no 8 earlier than the rate-setting period beginning April 1, 1999, the agency shall establish a case-mix reimbursement 9 10 methodology for the rate of payment for long-term care services for nursing home residents. The agency shall compute 11 12 a per diem rate for Medicaid residents, adjusted for case mix, 13 which is based on a resident classification system that accounts for the relative resource utilization by different 14 15 types of residents and which is based on level-of-care data 16 and other appropriate data. The case-mix methodology developed 17 by the agency shall take into account the medical, behavioral, and cognitive deficits of residents. In developing the 18 reimbursement methodology, the agency shall evaluate and 19 modify other aspects of the reimbursement plan as necessary to 20 21 improve the overall effectiveness of the plan with respect to 22 the costs of patient care, operating costs, and property costs. In the event adequate data are not available, the 23 24 agency is authorized to adjust the patient's care component or 25 the per diem rate to more adequately cover the cost of services provided in the patient's care component. The agency 26 27 shall work with the Department of Elderly Affairs, the Florida Health Care Association, and the Florida Association of Homes 28 for the Aging in developing the methodology. It is the intent 29 30 of the Legislature that the reimbursement plan achieve the 31 goal of providing access to health care for nursing home

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residents who require large amounts of care while encouraging 1 2 diversion services as an alternative to nursing home care for 3 residents who can be served within the community. The agency 4 shall base the establishment of any maximum rate of payment, whether overall or component, on the available moneys as 5 6 provided for in the General Appropriations Act. The agency may 7 base the maximum rate of payment on the results of scientifically valid analysis and conclusions derived from 8 9 objective statistical data pertinent to the particular maximum 10 rate of payment. 11 12 (Redesignate subsequent sections.) 13 14 15 And the title is amended as follows: 16 17 On page 9, line 17, after "penalties;" 18 19 insert: 20 amending s. 409.908, F.S.; prohibiting nursing home reimbursement rate increases associated 21 with changes in ownership; 22 23 24 25 26 27 28 29 30 31

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