By the Committee on Health, Aging and Long-Term Care

317-273-01

1 A bill to be entitled 2 An act relating to Medicaid; amending s. 409.904, F.S.; establishing the medically needy 3 4 income level; providing for the annual increase 5 of the medically needy income level; amending 6 s. 409.914, F.S.; amending procedures relating 7 to the Medicaid buy-in program to provide medical assistance to a specified category of 8 9 individuals; amending criteria of eligibility for the buy-in program; allowing the Agency for 10 Health Care Administration to apply for federal 11 12 waivers to ensure that the buy-in program operates within specified constraints; 13 providing legislative intent; directing the 14 agency to seek approval from the Health Care 15 Financing Administration of a specified 16 17 methodology for calculating medical expenses under the medically needy program; providing an 18 19 effective date. 21

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Be It Enacted by the Legislature of the State of Florida:

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Section 1. Subsection (2) of section 409.904, Florida Statutes, is amended to read:

409.904 Optional payments for eligible persons. -- The agency may make payments for medical assistance and related services on behalf of the following persons who are determined to be eligible subject to the income, assets, and categorical eligibility tests set forth in federal and state law. Payment on behalf of these Medicaid eligible persons is subject to the

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CODING: Words stricken are deletions; words underlined are additions.

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30 31 availability of moneys and any limitations established by the General Appropriations Act or chapter 216.

(2) A family, a pregnant woman, a child under age 18, a person age 65 or over, or a blind or disabled person who would be eligible under any group listed in s. 409.903(1), (2), or (3), except that the income or assets of such family or person exceed established limitations. The medically needy income level is 133-1/3 percent of the income limit used for the persons described in s. 409.903(1). For a family or person in this group, medical expenses are deductible from income in accordance with federal requirements in order to make a determination of eligibility. A family or person in this group, which group is known as the "medically needy," is eliqible to receive the same services as other Medicaid recipients, with the exception of services in skilled nursing facilities and intermediate care facilities for the developmentally disabled. Annually, beginning July 1, 2002, the Department of Children and Family <u>Services shall increase</u> the medically needy income level by the amount of the consumer price index for all urban consumers " for that year, as published by the Bureau of Labor Statistics of the United States Department of Labor.

Section 2. Subsection (2) of section 409.914, Florida Statutes, is amended to read:

409.914 Assistance for the uninsured.--

(2)(a) The agency shall seek federal statutory or regulatory reforms to establish a Medicaid buy-in program to provide medical assistance to disabled Medicaid recipients who, after at least 6 months of Medicaid eligibility, become persons ineligible for Medicaid because of increased current income obtained from gainful employment and categorical

restrictions. The agency shall develop use funds provided by the Robert Wood Johnson Foundation to assist in developing the buy-in program, including, but not limited to, the determination of eligibility and service coverages; cost-sharing cost sharing requirements; managed-care managed care provisions; changes needed to the Medicaid program's claims processing, utilization control, cost control, case management, and provider enrollment systems to operate a buy-in program. The agency may apply for federal waivers necessary to ensure that the buy-in program operates within existing general revenue and is limited to individuals who would otherwise remain unemployed and on Medicaid.

(b) The agency shall seek federal authorization and financial support for a buy-in program that provides federally supported medical assistance coverage for persons with incomes up to 250 percent of the federal poverty level. The agency shall not implement the Medicaid buy-in program until it has received necessary federal authorization and financial participation and state appropriations.

Section 3. It is the intent of the Legislature to reduce the repetitive nature and complexity of the application process for the medically needy program authorized under section 490.904(2), Florida Statutes. The Legislature therefore directs the Agency for Health Care Administration and the Department of Children and Family Services, by January 1, 2002, to seek from the Health Care Financing Administration approval to use a methodology for calculating medical expenses under the medically needy program which allows the department, upon certification by a physician that the applicant suffers from a chronic condition and that the individual's medical expenses are likely to remain constant, to prospectively

assume that the amount of the individual's medical expenses for the subsequent 6 months will remain equal to the amount of such expenses for the previous 6 months. Section 4. This act shall take effect upon becoming a law. ********** SENATE SUMMARY Establishes the medically needy income level and provides for basing an annual increase in that level on the federally published consumer price index for all urban consumers. Amends procedures relating to the Medicaid buy-in program to provide medical assistance to a specified category of individuals. Amends the criteria of eligibility for the buy-in program. Authorizes the Agency for Health Care Administration to apply for federal waivers to ensure that the buy-in program operates within specified constraints. Provides legislative intent to reduce the repetitiveness and complexity of applying for the medically needy program. Directs the agency to seek from the Health Care Financing Administration approval to use a specified methodology for calculating medical expenses under the medically needy program.