

1 A bill to be entitled
 2 An act relating to cost-effective purchasing of health
 3 care; amending s. 409.912, F.S.; extending the
 4 authorization period for the Agency for Health Care
 5 Administration to enter into contracts on a prepaid or
 6 fixed-sum basis with appropriately licensed prepaid
 7 dental health plans to provide dental services;
 8 limiting agency authorization for the provision of
 9 prepaid dental health programs to Miami-Dade County;
 10 requiring an annual report to the Governor and
 11 Legislature; providing an effective date.

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 13 Be It Enacted by the Legislature of the State of Florida:
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15 Section 1. Paragraphs (a) and (b) of subsection (41) of
 16 section 409.912, Florida Statutes, are amended to read:

17 409.912 Cost-effective purchasing of health care.—The
 18 agency shall purchase goods and services for Medicaid recipients
 19 in the most cost-effective manner consistent with the delivery
 20 of quality medical care. To ensure that medical services are
 21 effectively utilized, the agency may, in any case, require a
 22 confirmation or second physician's opinion of the correct
 23 diagnosis for purposes of authorizing future services under the
 24 Medicaid program. This section does not restrict access to
 25 emergency services or poststabilization care services as defined
 26 in 42 C.F.R. part 438.114. Such confirmation or second opinion
 27 shall be rendered in a manner approved by the agency. The agency
 28 shall maximize the use of prepaid per capita and prepaid

29 | aggregate fixed-sum basis services when appropriate and other
30 | alternative service delivery and reimbursement methodologies,
31 | including competitive bidding pursuant to s. 287.057, designed
32 | to facilitate the cost-effective purchase of a case-managed
33 | continuum of care. The agency shall also require providers to
34 | minimize the exposure of recipients to the need for acute
35 | inpatient, custodial, and other institutional care and the
36 | inappropriate or unnecessary use of high-cost services. The
37 | agency shall contract with a vendor to monitor and evaluate the
38 | clinical practice patterns of providers in order to identify
39 | trends that are outside the normal practice patterns of a
40 | provider's professional peers or the national guidelines of a
41 | provider's professional association. The vendor must be able to
42 | provide information and counseling to a provider whose practice
43 | patterns are outside the norms, in consultation with the agency,
44 | to improve patient care and reduce inappropriate utilization.
45 | The agency may mandate prior authorization, drug therapy
46 | management, or disease management participation for certain
47 | populations of Medicaid beneficiaries, certain drug classes, or
48 | particular drugs to prevent fraud, abuse, overuse, and possible
49 | dangerous drug interactions. The Pharmaceutical and Therapeutics
50 | Committee shall make recommendations to the agency on drugs for
51 | which prior authorization is required. The agency shall inform
52 | the Pharmaceutical and Therapeutics Committee of its decisions
53 | regarding drugs subject to prior authorization. The agency is
54 | authorized to limit the entities it contracts with or enrolls as
55 | Medicaid providers by developing a provider network through
56 | provider credentialing. The agency may competitively bid single-

57 source-provider contracts if procurement of goods or services
58 results in demonstrated cost savings to the state without
59 limiting access to care. The agency may limit its network based
60 on the assessment of beneficiary access to care, provider
61 availability, provider quality standards, time and distance
62 standards for access to care, the cultural competence of the
63 provider network, demographic characteristics of Medicaid
64 beneficiaries, practice and provider-to-beneficiary standards,
65 appointment wait times, beneficiary use of services, provider
66 turnover, provider profiling, provider licensure history,
67 previous program integrity investigations and findings, peer
68 review, provider Medicaid policy and billing compliance records,
69 clinical and medical record audits, and other factors. Providers
70 are not entitled to enrollment in the Medicaid provider network.
71 The agency shall determine instances in which allowing Medicaid
72 beneficiaries to purchase durable medical equipment and other
73 goods is less expensive to the Medicaid program than long-term
74 rental of the equipment or goods. The agency may establish rules
75 to facilitate purchases in lieu of long-term rentals in order to
76 protect against fraud and abuse in the Medicaid program as
77 defined in s. 409.913. The agency may seek federal waivers
78 necessary to administer these policies.

79 (41) (a) Notwithstanding s. 409.961, the agency shall
80 contract on a prepaid or fixed-sum basis with appropriately
81 licensed prepaid dental health plans to provide dental services.
82 This paragraph expires October 1, 2017 ~~2014~~.

83 (b) Notwithstanding paragraph (a) ~~and for the 2012-2013~~
84 ~~fiscal year only,~~ the agency is authorized to provide a Medicaid

85 | prepaid dental health program in Miami-Dade County. The agency
86 | shall provide an annual report by January 15 to the Governor,
87 | the President of the Senate, and the Speaker of the House of
88 | Representatives that compares the combined reported annual
89 | benefits utilization and encounter data from all contractors,
90 | along with the agency's findings with respect to projected and
91 | budgeted annual program costs, the extent to which each
92 | contracting entity is complying with all contract terms and
93 | conditions, the effect that each entity's operation is having on
94 | access to care for Medicaid recipients in the contractor's
95 | service area, and the statistical trends associated with
96 | indicators of good oral health among all recipients served in
97 | comparison with the state's population as a whole. ~~For all other~~
98 | ~~counties, the agency may not limit dental services to prepaid~~
99 | ~~plans and must allow qualified dental providers to provide~~
100 | ~~dental services under Medicaid on a fee for service~~
101 | ~~reimbursement methodology. The agency may seek any necessary~~
102 | ~~revisions or amendments to the state plan or federal waivers in~~
103 | ~~order to implement this paragraph. The agency shall terminate~~
104 | ~~existing contracts as needed to implement this paragraph. This~~
105 | ~~paragraph expires July 1, 2013.~~

106 | Section 2. This act shall take effect July 1, 2013.