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; authorizing the agency to seek federal
12 waivers or amendments to the state plan; providing an
13 effective date.
14
15 Be It Enacted by the Legislature of the State of Florida:
16
17 Section 1. Subsection (41) of section 409.912, Florida
18 Statutes, is amended to read:
19 409.912 Cost-effective purchasing of health care.—The
20 agency shall purchase goods and services for Medicaid recipients
21 in the most cost-effective manner consistent with the delivery
22 of quality medical care. To ensure that medical services are
23 effectively utilized, the agency may, in any case, require a
24 confirmation or second physician's opinion of the correct
25 diagnosis for purposes of authorizing future services under the
26 Medicaid program. This section does not restrict access to
27 emergency services or poststabilization care services as defined
28 in 42 C.F.R. part 438.114. Such confirmation or second opinion

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

57 Medicaid providers by developing a provider network through
58 provider credentialing. The agency may competitively bid single-
59 source-provider contracts if procurement of goods or services
60 results in demonstrated cost savings to the state without
61 limiting access to care. The agency may limit its network based
62 on the assessment of beneficiary access to care, provider
63 availability, provider quality standards, time and distance
64 standards for access to care, the cultural competence of the
65 provider network, demographic characteristics of Medicaid
66 beneficiaries, practice and provider-to-beneficiary standards,
67 appointment wait times, beneficiary use of services, provider
68 turnover, provider profiling, provider licensure history,
69 previous program integrity investigations and findings, peer
70 review, provider Medicaid policy and billing compliance records,
71 clinical and medical record audits, and other factors. Providers
72 are not entitled to enrollment in the Medicaid provider network.
73 The agency shall determine instances in which allowing Medicaid
74 beneficiaries to purchase durable medical equipment and other
75 goods is less expensive to the Medicaid program than long-term
76 rental of the equipment or goods. The agency may establish rules
77 to facilitate purchases in lieu of long-term rentals in order to
78 protect against fraud and abuse in the Medicaid program as
79 defined in s. 409.913. The agency may seek federal waivers
80 necessary to administer these policies.
81 (41)(a) Notwithstanding s. 409.961, the agency shall
82 contract on a prepaid or fixed-sum basis with appropriately
83 licensed prepaid dental health plans to provide dental services.
84 This paragraph expires October 1, 2017 ~~2014~~.

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

85 (b) Notwithstanding paragraph (a) ~~and for the 2012-2013~~
86 ~~fiscal year only~~, the agency is authorized to provide a Medicaid
87 prepaid dental health program in Miami-Dade County. ~~For all~~
88 ~~other counties, the agency may not limit dental services to~~
89 ~~prepaid plans and must allow qualified dental providers to~~
90 ~~provide dental services under Medicaid on a fee-for-service~~
91 ~~reimbursement methodology. The agency may seek any necessary~~
92 ~~revisions or amendments to the state plan or federal waivers in~~
93 ~~order to implement this paragraph. The agency shall terminate~~
94 ~~existing contracts as needed to implement this paragraph. This~~
95 ~~paragraph expires July 1, 2013.~~
96 (c) The agency shall provide an annual report by January
97 15 to the Governor, the President of the Senate, and the Speaker
98 of the House of Representatives that compares the combined
99 reported annual benefits utilization and encounter data from all
100 contractors, along with the agency's findings with respect to
101 projected and budgeted annual program costs, the extent to which
102 each contracting entity is complying with all contract terms and
103 conditions, the effect that each entity's operation is having on
104 access to care for Medicaid recipients in the contractor's
105 service area, and the statistical trends associated with
106 indicators of good oral health among all recipients served in
107 comparison with the state's population as a whole.
108 (d) The agency may seek any necessary revisions or
109 amendments to the state plan or federal waivers in order to
110 implement this subsection.
111 Section 2. This act shall take effect July 1, 2014.