CHAPTER 2014-57

House Bill No. 5201

An act relating to Medicaid; amending s. 395.602, F.S.; revising the term "rural hospital"; amending s. 409.909, F.S.; providing a reconciliation process for the Statewide Medicaid Residency Program; amending s. 409.911, F.S.; updating references to data used for calculating disproportionate share program payments to certain hospitals for the 2014-2015 fiscal year; providing for continuance of Medicaid disproportionate share distributions for certain nonstate government owned or operated hospitals; amending s. 409.965, F.S.; deleting the requirement that certain children are exempt from receiving covered Medicaid services through the statewide managed care program; amending s. 409.968, F.S.; providing reimbursement parameters for prescribed pediatric extended care service providers in the Medicaid statewide managed care program; amending s. 409.972, F.S.; deleting a requirement relating to medically needy recipients; providing that certain Medicaid-eligible persons may voluntarily participate in the managed medical assistance program; amending s. 409.975, F.S.; deleting a requirement that a managed care plan accept certain medically needy recipients; revising appropriations in the 2014-2015 General Appropriations Act; providing effective dates.

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

Section 1. Paragraph (e) of subsection (2) of section 395.602, Florida Statutes, is amended to read:

395.602 Rural hospitals.—

(2) DEFINITIONS.—As used in this part:

(e) "Rural hospital" means an acute care hospital licensed under this chapter, having 100 or fewer licensed beds and an emergency room, which is:

1. The sole provider within a county with a population density of up to ~~no greater than~~ 100 persons per square mile;

2. An acute care hospital, in a county with a population density of up to ~~no greater than~~ 100 persons per square mile, which is at least 30 minutes of travel time, on normally traveled roads under normal traffic conditions, from any other acute care hospital within the same county;

3. A hospital supported by a tax district or subdistrict whose boundaries encompass a population of up to 100 persons ~~or fewer~~ per square mile;

4. A hospital classified as a sole community hospital under 42 C.F.R. s. 412.92 which has up to 340 licensed beds ~~in a constitutional charter county with a population of over 1 million persons that has imposed a local option health service tax pursuant to law and in an area that was directly impacted~~

~~by a catastrophic event on August 24, 1992, for which the Governor of Florida declared a state of emergency pursuant to chapter 125, and has 120 beds or less that serves an agricultural community with an emergency room utilization of no less than 20,000 visits and a Medicaid inpatient utilization rate greater than 15 percent~~;

5. A hospital with a service area that has a population of up to 100 persons ~~or fewer~~ per square mile. As used in this subparagraph, the term "service area" means the fewest number of zip codes that account for 75 percent of the hospital's discharges for the most recent 5-year period, based on information available from the hospital inpatient discharge database in the Florida Center for Health Information and Policy Analysis at the agency; or

6. A hospital designated as a critical access hospital, as defined in s. 408.07.

Population densities used in this paragraph must be based upon the most recently completed United States census. A hospital that received funds under s. 409.9116 for a quarter beginning no later than July 1, 2002, is deemed to have been and shall continue to be a rural hospital from that date through June 30, 2015, if the hospital continues to have up to 100 ~~or fewer~~ licensed beds and an emergency room~~, or meets the criteria of subparagraph~~ 4. An acute care hospital that has not previously been designated as a rural hospital and that meets the criteria of this paragraph shall be granted such designation upon application, including supporting documentation, to the agency. A hospital that was licensed as a rural hospital during the 2010-2011 or 2011-2012 fiscal year shall continue to be a rural hospital from the date of designation through June 30, 2015, if the hospital continues to have up to 100 ~~or fewer~~ licensed beds and an emergency room.

Section 2. Subsection (5) of section 409.909, Florida Statutes, is renumbered as subsection (6) and a new subsection (5) is added to that section, to read:

409.909 Statewide Medicaid Residency Program.—

(5) Beginning in the 2015-2016 state fiscal year, the agency shall reconcile each participating hospital's total number of FTE residents calculated for the state fiscal year 2 years prior with its most recently available Medicare cost reports covering the same time period. Reconciled FTE counts shall be prorated according to the portion of the state fiscal year covered by a Medicare cost report. Using the same definitions, methodology, and payment schedule specified in this section, the reconciliation shall apply any differences in annual allocations calculated under subsection (4) to the current year's annual allocations.

Section 3. Paragraph (a) of subsection (2) and paragraph (d) of subsection (4) of section 409.911, Florida Statutes, is amended to read:

409.911 Disproportionate share program.—Subject to specific allocations established within the General Appropriations Act and any limitations established pursuant to chapter 216, the agency shall distribute, pursuant to this section, moneys to hospitals providing a disproportionate share of Medicaid or charity care services by making quarterly Medicaid payments as required. Notwithstanding the provisions of s. 409.915, counties are exempt from contributing toward the cost of this special reimbursement for hospitals serving a disproportionate share of low-income patients.

(2) The Agency for Health Care Administration shall use the following actual audited data to determine the Medicaid days and charity care to be used in calculating the disproportionate share payment:

(a) The average of the 2005, 2006, and 2007 audited disproportionate share data to determine each hospital's Medicaid days and charity care for the 2014-2015 ~~2013-2014~~ state fiscal year.

(4) The following formulas shall be used to pay disproportionate share dollars to public hospitals:

(d) Any nonstate government owned or operated hospital eligible for payments under this section on July 1, 2011, remains eligible for payments during the 2014-2015 ~~2013-2014~~ state fiscal year.

Section 4. Subsection (4) of section 409.965, Florida Statutes, is amended to read:

409.965 Mandatory enrollment.—All Medicaid recipients shall receive covered services through the statewide managed care program, except as provided by this part pursuant to an approved federal waiver. The following Medicaid recipients are exempt from participation in the statewide managed care program:

~~(4) Children receiving services in a prescribed pediatric extended care center.~~

Section 5. Subsection (3) of section 409.968, Florida Statutes, is renumbered as subsection (4), and a new subsection (3) is added to that section to read:

409.968 Managed care plan payments.—

(3) Reimbursement for prescribed pediatric extended care services provided to children enrolled in a managed care plan under s. 409.972(1)(g) shall be paid to the prescribed pediatric extended care services provider by the agency on a fee-for-service basis.

Section 6. Effective upon this act becoming a law, section 409.972, Florida Statutes, is amended to read:

409.972 Mandatory and voluntary enrollment.—

~~(1) Persons eligible for the program known as "medically needy" pursuant to s. 409.904(2) shall enroll in managed care plans. Medically needy recipients shall meet the share of the cost by paying the plan premium, up to the share of the cost amount, contingent upon federal approval.~~

(1)~~(2)~~ The following Medicaid-eligible persons are exempt from mandatory managed care enrollment required by s. 409.965, and may voluntarily choose to participate in the managed medical assistance program:

(a) Medicaid recipients who have other creditable health care coverage, excluding Medicare.

(b) Medicaid recipients residing in residential commitment facilities operated through the Department of Juvenile Justice or mental health treatment facilities as defined by s. 394.455(32).

(c) Persons eligible for refugee assistance.

(d) Medicaid recipients who are residents of a developmental disability center, including Sunland Center in Marianna and Tacachale in Gainesville.

(e) Medicaid recipients enrolled in the home and community based services waiver pursuant to chapter 393, and Medicaid recipients waiting for waiver services.

(f) Medicaid recipients residing in a group home facility licensed under chapter 393.

(g) Children receiving services in a prescribed pediatric extended care center.

(2)~~(3)~~ Persons eligible for Medicaid but exempt from mandatory participation who do not choose to enroll in managed care shall be served in the Medicaid fee-for-service program as provided under ~~in~~ part III of this chapter.

(3)~~(4)~~ The agency shall seek federal approval to require Medicaid recipients enrolled in managed care plans, as a condition of Medicaid eligibility, to pay the Medicaid program a share of the premium of $10 per month.

Section 7. Effective upon this act becoming a law, subsection (7) of section 409.975, Florida Statutes, is amended to read:

409.975 Managed care plan accountability.—In addition to the requirements of s. 409.967, plans and providers participating in the managed medical assistance program shall comply with the requirements of this section.

~~(7) MEDICALLY NEEDY ENROLLEES.—Each managed care plan must accept any medically needy recipient who selects or is assigned to~~

~~the plan and provide that recipient with continuous enrollment for 12 months. After the first month of qualifying as a medically needy recipient and enrolling in a plan, and contingent upon federal approval, the enrollee shall pay the plan a portion of the monthly premium equal to the enrollee's share of the cost as determined by the department. The agency shall pay any remaining portion of the monthly premium. Plans are not obligated to pay claims for medically needy patients for services provided before enrollment in the plan. Medically needy patients are responsible for payment of incurred claims that are used to determine eligibility. Plans must provide a grace period of at least 90 days before disenrolling recipients who fail to pay their shares of the premium.~~

Section 8. Effective upon HB 5001, 2014 Regular Session, becoming a law, in order to ensure the continued delivery of quality Medicaid services by Jackson Hospital, the first paragraph of proviso language for Specific Appropriation 481A of the 2014-2015 General Appropriations Act is amended to read:

481A GRANTS AND AIDS TO LOCAL GOVERNMENTS AND
NONSTATE ENTITIES – FIXED CAPITAL OUTLAY
GRANTS AND AIDS – HEALTH FACILITIES
FROM GENERAL REVENUE FUND..... 15,500,000

From the funds in Specific Appropriation 481A, $13,500,000 in nonrecurring funds from the General Revenue Fund is provided for the following projects:

Calhoun-Liberty Hospital.....400,000

Jackson ~~Memorial~~ Hospital – Energy Plant Repair.....3,400,000

Jackson ~~Memorial~~ Hospital – Operating Room Renovation.....8,000,000

Lakeland Regional Medical Center – Family Health Center.....1,000,000

Memorial Health Community Health Center in Miramar..... 700,000

Section 9. Effective upon HB 5001, 2014 Regular Session, becoming a law, in order to ensure the continued delivery of quality Medicaid services by Manatee ER Diversion, the first paragraph of proviso language for Specific Appropriation 461 of the 2014-2015 General Appropriations Act is amended to read:

461 AID TO LOCAL GOVERNMENTS
GRANTS AND AIDS – PRIMARY CARE PROGRAM

FROM GENERAL REVENUE FUND.....28,276,512

From the funds in Specific Appropriation 461, the following projects are funded from nonrecurring funds in the General Revenue Fund:

Alachua County Organization for Rural Needs (ACORN).....750,000

Baptist Health South Florida – Telemedicine Intensive Care Unit.....275,000

Banyan Community Health Center..... 100,000

Florida Association of Free and Charitable Clinics.....4,500,000

Florida State University – College of Medicine – Immokalee.....300,000

Howard Phillips Center for Children and Families – Teen Xpress Program.....50,000

Manatee ER ~~Memorial Hospital – Emergency Room~~ Diversion ~~Program~~.....300,000

St. John Bosco Clinic..... 50,000

St. Vincent's HealthCare – Telemedicine Intensive Care Unit.....500,000

Tampa Family Health Centers – Hillsborough County.....500,000

Section 10. Except as otherwise expressly provided in this act and except for this section, which shall take effect upon this act becoming a law, this act shall take effect July 1, 2014.

Approved by the Governor June 2, 2014.

Filed in Office Secretary of State June 2, 2014.