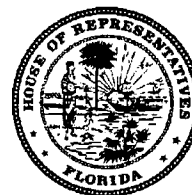


# THE FLORIDA LEGISLATURE



**Andy Gardiner**  
*President of the Senate*



**Steve Crisafulli**  
*Speaker of the House of  
Representatives*

March 10, 2016

The Honorable Steve Crisafulli  
Speaker, House of Representatives

The Honorable Andy Gardiner  
President of the Senate

Dear Mr. Speaker and Mr. President:

Your Conference Committee on the disagreeing votes of the two houses on HB 5101, same being:

An act relating to Medicaid.

having met, and after full and free conference, do recommend to their respective houses as follows:

1. That the Senate recede from its Amendment 390464.
2. That the Senate and House of Representatives adopt the Conference Committee Amendment attached hereto, and by reference made a part of this report.

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*Representative Richard Corcoran, Chair*

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*Representative Matt Hudson, Chair*

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*Representative Ben Albritton, At Large*

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*Representative Jason T. Brodeur*

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*Representative W. Travis Cummings*

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*Representative Matt Gaetz, At Large*

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*Representative Mia L. Jones, At Large*

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*Representative George R. Moraitis, Jr., At Large*

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*Representative Jose R. Oliva, At Large*

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*Representative Mark S. Pafford, At Large*

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*Representative Holly Raschein, At Large*

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*Representative Cynthia A. Stafford, At Large*

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*Representative Carlos Trujillo, At Large*

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*Representative John Wood, At Large*

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*Representative Dana D. Young, At Large*

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*Representative Jim Boyd, Vice Chair*

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*Representative Janet H. Adkins, At Large*

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*Representative Dennis K. Baxley, At Large*

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*Representative Janet Cruz, At Large*

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*Representative Jose Felix Diaz, At Large*

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*Representative Gayle B. Harrell*

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*Representative MaryLynn Magar*

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*Representative Amanda Murphy*

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*Representative H. Marlene O'Toole, At Large*

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*Representative Cary Pigman*

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*Representative David Richardson, At Large*

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*Representative Cyndi Stevenson*

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*Representative Alan B. Williams, At Large*

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*Representative Ritch Workman, At Large*

**Managers on the part of the House of Representatives**

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*Senator Tom Lee, Chair*

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*Senator Thad Altman*

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*Senator Rob Bradley*

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*Senator Oscar Braynon II*

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*Senator Jeff Clemens*

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*Senator Nancy C. Detert*

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*Senator Greg Evers*

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*Senator Don Gaetz*

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*Senator Rene Garcia*

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*Senator Denise Grimsley, At Large*

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*Senator Dorothy L. Hukill*

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*Senator Arthenia L. Joyner, At Large*

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*Senator John Legg*

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*Senator Bill Montford*

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*Senator Garrett Richter, At Large*

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*Senator David Simmons, At Large*

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*Senator Christopher L. Smith, At Large*

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*Senator Darren Soto*

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*Senator Geraldine F. Thompson*

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*Senator Lizbeth Benacquisto, Vice Chair*

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*Senator Aaron Bean*

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*Senator Jeff Brandes*

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*Senator Dwight Bullard*

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*Senator Charles S. Dean*

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*Senator Miguel Diaz de la Portilla*

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*Senator Anitere Flores, At Large*

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*Senator Bill Galvano, At Large*

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*Senator Audrey Gibson*

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*Senator Alan Hays*

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*Senator Travis Hutson*

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*Senator Jack Latvala*

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*Senator Gwen Margolis, At Large*

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*Senator Joe Negron*

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*Senator Maria Lorts Sachs*

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*Senator Wilton Simpson*

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*Senator Eleanor Sobel*

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*Senator Kelli Stargel*

**Conferees on the part of the Senate**

The Conference Committee Amendment for HB 5101, relating to health care services, provides for the following:

**Section 1** amends s. 322.142, F.S., to authorize, effective upon the bill becoming law, the Dept. of Highway Safety and Motor Vehicles to allow the Agency for Health Care Administration (AHCA), via interagency agreement, to access photographic images of driver licenses for the purpose of preventing health care fraud. The bill authorizes AHCA to contract with a private entity to carry out duties relating to health care fraud prevention under specified safeguards and parameters.

**Section 2** amends s. 409.9128, F.S., to provide that reimbursement for emergency services provided to an enrollee of a Medicaid managed care plan by a provider that is not under contract with the managed care plan must be the lesser of specified amounts, including the Medicaid rate as provided in s. 409.967(2)(b), F.S.

**Section 3** amends s. 395.602, F.S., to provide that a hospital classified as a sole community hospital which has up to 175 licensed beds is included in the definition of "rural hospital."

**Section 4** amends s. 409.285, F.S., to transfer from the Dept. of Children and Families (DCF) to AHCA the responsibility for conducting Medicaid fair hearings related to Medicaid programs administered by AHCA, by March 1, 2017. Provides for rulemaking by AHCA. Provides that AHCA will use DCF's existing fair hearing rules if AHCA's rulemaking is not completed by March 1, 2017.

**Section 5** amends definitions under s. 409.811, F.S., to permit certain non-citizen children to receive federal financial premium assistance under Medicaid or the Children's Health Insurance Program (CHIP).

**Section 6** amends s. 409.814, F.S., to replace a reference to "qualified alien" with a reference to "lawfully residing child" when referring to children who are not eligible for Title XXI funded premium assistance. The bill also clarifies that Kidcare program eligibility is not being extended to undocumented immigrants.

**Section 7** amends s. 409.904, F.S., to provide that a child younger than 19 years of age who is a lawfully residing child, as defined in s. 409.811, F.S., is eligible for Medicaid under s. 409.903, F.S. The bill also clarifies that Medicaid eligibility is not being extended to undocumented immigrants.

**Section 8** amends s. 409.905(5), F.S., to delete the requirement for the AHCA to limit payment for hospital emergency department visits for non-pregnant Medicaid recipients 21 years of age or older to six visits per fiscal year.

**Section 9** amends s. 409.905(6), F.S., effective July 1, 2017, to require AHCA to implement a prospective payment methodology for hospital outpatient reimbursement, thereby replacing the current cost-based reimbursement methodology on that date. Provides that adjustments to outpatient reimbursements may not be made later than July 31 of the year in which they take effect.

**Section 10** amends s. 409.906, F.S., to require AHCA to seek federal approval to pay for flexible services for persons with severe mental illness or substance abuse disorders, including, but not limited to, temporary housing assistance. Payment for such services may be made as enhanced rates or incentive payments to managed care plans within Statewide Medicaid Managed Care.

**Section 11** amends s. 393.063, F.S., to add Down syndrome and Phelan-McDermid syndrome to the list of disorders that define “developmental disability.”

**Section 12** amends s. 393.063, F.S., to provide a definition of Phelan-McDermid syndrome.

**Section 13** amends s. 393.065, F.S., to revise the parameters used by the Agency for Persons with Disabilities (APD) to assign priority to clients waiting for services from the developmental disability waiver.

**Section 14** provides that, in the event HB 1083 or similar legislation does not become law during the 2016 legislative session or an extension thereof, s. 393.0662, F.S., is amended to add a significant need for transportation services relating to adult day training or employment services to the list of needs in current law for which the APD may authorize an increase in iBudget funding if the need that cannot be accommodated within previously approved funding, under specified parameters.

**Section 15** provides that, in the event HB 1083 or similar legislation does not become law during the 2016 legislative session or an extension thereof, notwithstanding the expiration date in section 24 of ch. 2015-222, Laws of Florida, s. 393.067(15), F.S., is reenacted.

**Section 16** provides that, in the event HB 1083 or similar legislation does not become law during the 2016 legislative session or an extension thereof, notwithstanding the expiration date in section 26 of ch. 2015-222, Laws of Florida, s. 393.18, F.S., is reenacted.

**Section 17** amends s. 409.907, F.S., to authorize AHCA to certify that a Medicaid provider is out of business and that any overpayments made to the provider cannot be collected under state law.

**Section 18** creates s. 409.9072, F.S., to authorize AHCA to reimburse private schools and charter schools for providing Medicaid school-based services identical to those offered under the Medicaid certified school match program and under the same eligibility criteria as children eligible for services under that program.

**Section 19** amends s. 409.908, F.S., to add class III psychiatric hospitals to the current list of facilities for which AHCA is authorized to establish an alternative reimbursement methodology to the DRG-based prospective payment system otherwise required under state law. The bill also provides that, effective July 1, 2017, AHCA is required to reimburse ambulatory surgical centers with a prospective payment system, thereby replacing the current cost-based reimbursement methodology on that date.

**Section 20** amends s. 409.909, F.S., relating to the Statewide Medicaid Residency Program (SMRP), to:

- Add psychiatry to the current list of primary care specialties;
- Provide that federally qualified health centers are qualifying institutions for the purpose of receiving funds for residency slots through the SMRP;

- Require that hospitals applying for the start-up bonus component of the SMRP must submit to AHCA certain validations of new resident positions approved on or after March 2 of the prior fiscal year through March 1 of the current fiscal year for physician specialties identified to be in statewide supply/demand deficit in the General Appropriations Act; and
- Revise the definition of “Medicaid payments,” effective July 1, 2017, in order to conform to the transition to a prospective payment system for hospital outpatient reimbursement on that date.

**Section 21** amends s. 409.967(2), F.S., regarding payments required of a managed care plan within the Statewide Medicaid Managed Care program to a non-contracted provider that has rendered emergency services to a member of the managed care plan. The bill conforms this statute to federal law by specifying that such payments may be no more than the Medicaid fee-for-service rate, less any amounts for indirect costs of medical education and direct costs of graduate medical education that are otherwise included in the fee-for-service payment. The bill also requires AHCA to post on its website annually, or more frequently as needed, the applicable fee-for-service fee schedules and their effective dates, less any amounts for indirect costs of medical education and direct costs of graduate medical education that would otherwise be included in the fee-for-service payments.

**Section 22** amends s. 409.968, F.S., to require AHCA to establish a payment methodology to fund managed care plans within Statewide Medicaid Managed Care for flexible services for persons with severe mental illness and substance abuse disorders, including, but not limited to, temporary housing assistance. After receiving such payments for at least one year, a managed care plan must document the results of its efforts to maintain the target population in stable housing up to the maximum duration allowed under federal approval.

**Section 23** amends s. 409.975, F.S., to

- Clarify that the term “essential provider” includes providers determined to be essential Medicaid providers under s. 409.975(1)(a), F.S., and providers specified as statewide essential providers under s. 409.975(1)(b), F.S., for the purpose of applying the criteria for excluding an essential provider from a managed care plan network for failure to meet quality or performance standards under s. 409.975(1)(c), F.S.;
- Provide a cross-reference to changes made in Section 21 of the bill regarding payments required of a managed care plan within the Statewide Medicaid Managed Care program to a non-contracted provider that has rendered emergency services to a member of the managed care plan; and
- Delete the provision in s. 409.975(6), F.S., requiring that for rates, methods, and terms of payment negotiated after a Statewide Medicaid Managed Care contract between AHCA and a managed care plan has been executed, the managed care plan must pay hospitals within its provider networks, at a minimum, the rate that AHCA would have paid on the first day of the contract between the provider and the plan.

**Section 24** amends s. 624.91, F.S., the Florida Healthy Kids Corporation Act, to conform to changes made under the bill and update references to modified or deleted terms.

**Section 25** amends s. 641.513, F.S., to provide that, as part of the Florida Insurance Code, the amount of reimbursement paid by a health maintenance organization (HMO) to a non-contracted provider for emergency services provided to a member of the HMO who is a Medicaid recipient, will be determined under ch. 409. The bill also provides that the amount of reimbursement for

emergency services provided to subscribers who are enrolled in an HMO pursuant to the Florida Healthy Kids program by a provider for whom no contract exists between the provider and the HMO, will be the lesser of specified amounts, including the Medicaid rate.

**Section 26** amends s. 18 of ch. 2012-33, Laws of Florida, to require AHCA to contract with a current Program of All-inclusive Care for the Elderly (PACE) organization in Southeast Florida to develop and operate a PACE program in Broward County to serve frail elders who reside in Broward County or Miami-Dade County with up to 150 initial enrollee slots. Under the current language in ch. 2012-33, Laws of Florida, the provision of services is limited to frail elders residing in Broward County.

**Section 27** authorizes a new PACE site to serve frail elders residing in hospice service area 1 (Escambia, Okaloosa, Santa Rosa, and Walton counties), hospice service area 2A (Bay, Calhoun, Gulf, Holmes, Jackson, and Washington counties), and hospice service area 2B (Franklin, Gadsden, Jefferson, Leon, Liberty, Madison, Taylor, and Wakulla counties) with up to 100 initial enrollee slots.

**Section 28** authorizes a new PACE site to serve frail elders residing in Clay, Duval, St. Johns, Baker, and Nassau counties with up to 300 initial enrollee slots.

**Section 29** authorizes a new PACE site to serve frail elders residing in hospice service area 7B (Orange and Osceola counties) and hospice service area 3E (Lake and Sumter counties) with up to 150 initial enrollee slots.

**Section 30** authorizes a new PACE site to serve frail elders residing in Hillsborough County with up to 150 initial enrollee slots.

**Section 31** amends s. 391.055, F.S., to update a cross-reference to changes made in the bill.

**Section 32** amends 427.0135, F.S., to update a cross-reference to changes made in the bill.

**Section 33** amends s. 1002.385, F.S., to provide cross-references to changes made in the bill.

**Section 34** amends s. 1011.70, F.S., to correct cross-references to changes made in the bill.

**Section 35** provides that, except as otherwise provided, the bill takes effect July 1, 2016.