A bill to be entitled

An act relating to Medicaid supplements

programs; amending s. 409.901, F.S.; programs;

An act relating to Medicaid supplemental payment programs; amending s. 409.901, F.S.; providing definitions relating to certain Medicaid supplemental payment programs; amending s. 409.908, F.S.; providing requirements for hospital participation in certain Medicaid supplemental payment programs; providing a definition; amending s. 409.910, F.S.; conforming a cross-reference; providing an effective date.

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

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Section 1. Subsection (12) and subsections (13) through (28) of section 409.901, Florida Statutes, are renumbered as subsection (14) and subsections (16) through (31), respectively, and new subsections (12), (13), and (15) are added to that section, to read:

409.901 Definitions; ss. 409.901-409.920.—As used in ss. 409.901-409.920, except as otherwise specifically provided, the term:

(12) "Hospital directed payment program" means a supplemental payment program approved by the Centers for Medicare and Medicaid Services to provide directed payments to hospitals in an amount up to the total difference between Medicaid reimbursement and costs of care for Medicaid

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recipients.

- (13) "Indirect graduate medical education program" means a supplemental payment program approved by the Centers for Medicare and Medicaid Services to provide payments directly to eligible teaching hospitals based on the hospitals' indirect graduate medical education costs for services provided.
- (15) "Low Income Pool Program" means a supplemental payment program approved by the Centers for Medicare and Medicaid Services to provide payments directly to hospitals and other health care providers to reimburse hospitals and providers for the costs of uncompensated charity care for low-income individuals.

Section 2. Subsection (27) is added to section 409.908, Florida Statutes, to read:

409.908 Reimbursement of Medicaid providers.—Subject to specific appropriations, the agency shall reimburse Medicaid providers, in accordance with state and federal law, according to methodologies set forth in the rules of the agency and in policy manuals and handbooks incorporated by reference therein. These methodologies may include fee schedules, reimbursement methods based on cost reporting, negotiated fees, competitive bidding pursuant to s. 287.057, and other mechanisms the agency considers efficient and effective for purchasing services or goods on behalf of recipients. If a provider is reimbursed based on cost reporting and submits a cost report late and that cost

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report would have been used to set a lower reimbursement rate for a rate semester, then the provider's rate for that semester shall be retroactively calculated using the new cost report, and full payment at the recalculated rate shall be effected retroactively. Medicare-granted extensions for filing cost reports, if applicable, shall also apply to Medicaid cost reports. Payment for Medicaid compensable services made on behalf of Medicaid-eligible persons is subject to the availability of moneys and any limitations or directions provided for in the General Appropriations Act or chapter 216. Further, nothing in this section shall be construed to prevent or limit the agency from adjusting fees, reimbursement rates, lengths of stay, number of visits, or number of services, or making any other adjustments necessary to comply with the availability of moneys and any limitations or directions provided for in the General Appropriations Act, provided the adjustment is consistent with legislative intent.

Program and indirect graduate medical education program, as defined in s. 409.901, is contingent on the hospital's participation in the hospital directed payment program, as defined in s. 409.901. As used in this subsection, the term "hospital" has the same meaning as in s. 395.002(12) but does not include a cancer hospital that meets the criteria in 42 U.S.C. s. 1395ww(d)(1)(B)(v), a public hospital, a medical

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school physician practice, a federally qualified health center, a rural health clinic, or a behavioral health provider.

Section 3. Paragraph (a) of subsection (20) of section 409.910, Florida Statutes, is amended to read:

409.910 Responsibility for payments on behalf of Medicaideligible persons when other parties are liable.—

(20) (a) Entities providing health insurance as defined in s. 624.603, health maintenance organizations and prepaid health clinics as defined in chapter 641, and, on behalf of their clients, third-party administrators, pharmacy benefits managers, and any other third parties, as defined in s. 409.901 s. 409.901(27), which are legally responsible for payment of a claim for a health care item or service as a condition of doing business in the state or providing coverage to residents of this state, shall provide such records and information as are necessary to accomplish the purpose of this section, unless such requirement results in an unreasonable burden.

Section 4. This act shall take effect July 1, 2024.

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