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HB 5201, Engrossed 1

2014 Legislature

1
2 An act relating to Medicaid; amending s. 395.602,
3 F.S.; revising the term "rural hospital"; amending s.
4 409.909, F.S.; providing a reconciliation process for
5 the Statewide Medicaid Residency Program; amending s.
6 409.911, F.S.; updating references to data used for
7 calculating disproportionate share program payments to
8 certain hospitals for the 2014-2015 fiscal year;
9 providing for continuance of Medicaid disproportionate
10 share distributions for certain nonstate government
11 owned or operated hospitals; amending s. 409.965,
12 F.S.; deleting the requirement that certain children
13 are exempt from receiving covered Medicaid services
14 through the statewide managed care program; amending
15 s. 409.968, F.S.; providing reimbursement parameters
16 for prescribed pediatric extended care service
17 providers in the Medicaid statewide managed care
18 program; amending s. 409.972, F.S.; deleting a
19 requirement relating to medically needy recipients;
20 providing that certain Medicaid-eligible persons may
21 voluntarily participate in the managed medical
22 assistance program; amending s. 409.975, F.S.;
23 deleting a requirement that a managed care plan accept
24 certain medically needy recipients; revising
25 appropriations in the 2014-2015 General Appropriations



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26 Act; providing effective dates.

27

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

29

30 Section 1. Paragraph (e) of subsection (2) of section
31 395.602, Florida Statutes, is amended to read:

32 395.602 Rural hospitals.—

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

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

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

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

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

47 4. A hospital classified as a sole community hospital
48 under 42 C.F.R. s. 412.92 which has up to 340 licensed beds in a
49 ~~constitutional charter county with a population of over 1~~
50 ~~million persons that has imposed a local option health service~~



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51 ~~tax pursuant to law and in an area that was directly impacted by~~
52 ~~a catastrophic event on August 24, 1992, for which the Governor~~
53 ~~of Florida declared a state of emergency pursuant to chapter~~
54 ~~125, and has 120 beds or less that serves an agricultural~~
55 ~~community with an emergency room utilization of no less than~~
56 ~~20,000 visits and a Medicaid inpatient utilization rate greater~~
57 ~~than 15 percent;~~

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

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

68
69 Population densities used in this paragraph must be based upon
70 the most recently completed United States census. A hospital
71 that received funds under s. 409.9116 for a quarter beginning no
72 later than July 1, 2002, is deemed to have been and shall
73 continue to be a rural hospital from that date through June 30,
74 2015, if the hospital continues to have up to 100 ~~or fewer~~
75 licensed beds and an emergency room, ~~or meets the criteria of~~



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76 ~~subparagraph~~ 4. An acute care hospital that has not previously
77 been designated as a rural hospital and that meets the criteria
78 of this paragraph shall be granted such designation upon
79 application, including supporting documentation, to the agency.
80 A hospital that was licensed as a rural hospital during the
81 2010-2011 or 2011-2012 fiscal year shall continue to be a rural
82 hospital from the date of designation through June 30, 2015, if
83 the hospital continues to have up to 100 ~~or fewer~~ licensed beds
84 and an emergency room.

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

88 409.909 Statewide Medicaid Residency Program.—

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

100 Section 3. Paragraph (a) of subsection (2) and paragraph



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101 (d) of subsection (4) of section 409.911, Florida Statutes, is
102 amended to read:

103 409.911 Disproportionate share program.—Subject to
104 specific allocations established within the General
105 Appropriations Act and any limitations established pursuant to
106 chapter 216, the agency shall distribute, pursuant to this
107 section, moneys to hospitals providing a disproportionate share
108 of Medicaid or charity care services by making quarterly
109 Medicaid payments as required. Notwithstanding the provisions of
110 s. 409.915, counties are exempt from contributing toward the
111 cost of this special reimbursement for hospitals serving a
112 disproportionate share of low-income patients.

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

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

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

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



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126 state fiscal year.

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

129 409.965 Mandatory enrollment.—All Medicaid recipients
130 shall receive covered services through the statewide managed
131 care program, except as provided by this part pursuant to an
132 approved federal waiver. The following Medicaid recipients are
133 exempt from participation in the statewide managed care program:

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

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

139 409.968 Managed care plan payments.—

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

145 Section 6. Effective upon this act becoming a law, section
146 409.972, Florida Statutes, is amended to read:

147 409.972 Mandatory and voluntary enrollment.—

148 ~~(1) Persons eligible for the program known as "medically~~
149 ~~needy" pursuant to s. 409.904(2) shall enroll in managed care~~
150 ~~plans. Medically needy recipients shall meet the share of the~~



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151 ~~cost by paying the plan premium, up to the share of the cost~~
152 ~~amount, contingent upon federal approval.~~

153 (1)~~(2)~~ The following Medicaid-eligible persons are exempt
154 from mandatory managed care enrollment required by s. 409.965,
155 and may voluntarily choose to participate in the managed medical
156 assistance program:

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

159 (b) Medicaid recipients residing in residential commitment
160 facilities operated through the Department of Juvenile Justice
161 or mental health treatment facilities as defined by s.
162 394.455(32).

163 (c) Persons eligible for refugee assistance.

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

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

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

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

174 (2)~~(3)~~ Persons eligible for Medicaid but exempt from
175 mandatory participation who do not choose to enroll in managed



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176 care shall be served in the Medicaid fee-for-service program as
177 provided under ~~in~~ part III of this chapter.

178 (3)~~(4)~~ The agency shall seek federal approval to require
179 Medicaid recipients enrolled in managed care plans, as a
180 condition of Medicaid eligibility, to pay the Medicaid program a
181 share of the premium of \$10 per month.

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

185 409.975 Managed care plan accountability.—In addition to
186 the requirements of s. 409.967, plans and providers
187 participating in the managed medical assistance program shall
188 comply with the requirements of this section.

189 ~~(7) MEDICALLY NEEDED ENROLLEES.—Each managed care plan must~~
190 ~~accept any medically needy recipient who selects or is assigned~~
191 ~~to the plan and provide that recipient with continuous~~
192 ~~enrollment for 12 months. After the first month of qualifying as~~
193 ~~a medically needy recipient and enrolling in a plan, and~~
194 ~~contingent upon federal approval, the enrollee shall pay the~~
195 ~~plan a portion of the monthly premium equal to the enrollee's~~
196 ~~share of the cost as determined by the department. The agency~~
197 ~~shall pay any remaining portion of the monthly premium. Plans~~
198 ~~are not obligated to pay claims for medically needy patients for~~
199 ~~services provided before enrollment in the plan. Medically needy~~
200 ~~patients are responsible for payment of incurred claims that are~~



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201 ~~used to determine eligibility. Plans must provide a grace period~~
 202 ~~of at least 90 days before disenrolling recipients who fail to~~
 203 ~~pay their shares of the premium.~~

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

209
 210 481A GRANTS AND AIDS TO LOCAL GOVERNMENTS AND
 211 NONSTATE ENTITIES - FIXED CAPITAL OUTLAY
 212 GRANTS AND AIDS - HEALTH FACILITIES
 213 FROM GENERAL REVENUE FUND15,500,000

214
 215 From the funds in Specific Appropriation 481A, \$13,500,000 in
 216 nonrecurring funds from the General Revenue Fund is provided for
 217 the following projects:

218
 219 Calhoun-Liberty Hospital.....400,000
 220 Jackson ~~Memorial~~ Hospital - Energy Plant Repair.....3,400,000
 221 Jackson ~~Memorial~~ Hospital - Operating Room Renovation...8,000,000
 222 Lakeland Regional Medical Center - Family Health Center.1,000,000
 223 Memorial Health Community Health Center in Miramar.....700,000

224 Section 9. Effective upon HB 5001, 2014 Regular Session,
 225 becoming a law, in order to ensure the continued delivery of



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226 | quality Medicaid services by Manatee ER Diversion, the first
 227 | paragraph of proviso language for Specific Appropriation 461 of
 228 | the 2014-2015 General Appropriations Act is amended to read:

229 |
 230 | 461 AID TO LOCAL GOVERNMENTS
 231 | GRANTS AND AIDS - PRIMARY CARE PROGRAM
 232 | FROM GENERAL REVENUE FUND28,276,512

233 |
 234 | From the funds in Specific Appropriation 461, the following
 235 | projects are funded from nonrecurring funds in the General
 236 | Revenue Fund:

237 |
 238 | Alachua County Organization for Rural Needs (ACORN).....750,000
 239 | Baptist Health South Florida - Telemedicine Intensive Care
 240 | Unit.....275,000
 241 | Banyan Community Health Center.....100,000
 242 | Florida Association of Free and Charitable Clinics.....4,500,000
 243 | Florida State University - College of Medicine - Immokalee300,000
 244 | Howard Phillips Center for Children and Families - Teen Xpress
 245 | Program.....50,000
 246 | Manatee ER ~~Memorial Hospital~~ ~~Emergency Room~~ Diversion
 247 | ~~Program~~.....300,000
 248 | St. John Bosco Clinic.....50,000
 249 | St. Vincent's HealthCare - Telemedicine Intensive Care
 250 | Unit.....500,000



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251 | Tampa Family Health Centers - Hillsborough County.....500,000
252 | Section 10. Except as otherwise expressly provided in this
253 | act and except for this section, which shall take effect upon
254 | this act becoming a law, this act shall take effect July 1,
255 | 2014.