MEDICAID IMPACT CONFERENCE
Fiscal Year 2012-13 (Post January 13, 2012)

	Issue	Action	Proposed Start Date	General Revenue (Annualized)	Trust Fund (Annualized)	Total (Annualized)	Federal Approval (Y/N)	Type (State Plan - Waiver)
1	Eliminate Adult Dental Services	Provide savings associated with eliminating this service based on FY 2012-13 estimate.	08/01/2012	($13,913,359)	($19,287,371)	($33,200,730)	No	State Plan
2	Eliminate Adult Vision and Hearing Services	Provide savings associated with eliminating this service based on FY 2012-13 estimate.	08/01/2012	($7,338,844)	($10,339,003)	($17,677,847)	No	State Plan
3	Eliminate Adult Podiatry Services	Provide savings associated with eliminating this service based on FY 2012-13 estimate.	08/01/2012	($1,534,607)	($2,105,408)	($3,640,015)	No	State Plan
4	Eliminate Adult Chiropractic Services	Provide savings associated with eliminating this service based on FY 2012-13 estimate.	08/01/2012	($432,026)	($592,719)	($1,024,745)	No	State Plan
5	Limit Payment for Podiatry Services to 12 visits per year for Adults	Provide an estimate of savings if Podiatry Services were limited to 12 visit per year for adult beneficiaries. Analysis should discuss any federal or state implementation issues with limiting this service and number of beneficiaries impacted.	08/01/2012	($69,076)	($94,768)	($163,844)	No	State Plan
6	Limit Payment for Chiropractic Services to 12 visits per year for Adults	Provide an estimate of savings if Chiropractic Services were limited to 12 visit per year for adult beneficiaries. Analysis should discuss any federal or state implementation issues with limiting this service and number of beneficiaries impacted.	08/01/2012	($40,482)	($55,539)	($96,021)	No	State Plan
7	Limit Payment for ER Visits to 12 per year for Adults	Provide an estimate of savings if ER visits were limited to 12 visits per year for adult beneficiaries. Analysis should discuss any federal or state implementation issues with limiting this service and number of beneficiaries impacted.	08/01/2012	($7,416,854)	($10,373,313)	($17,790,167)	No	State Plan
8	Limit Payment for ER Visits to 6 per year for Adults	Provide an estimate of savings if ER visits were limited to 6 visits per year for adult beneficiaries. Analysis should discuss any federal or state implementation issues with limiting this service and number of beneficiaries impacted.	08/01/2012	($21,992,336)	($30,361,058)	($52,353,394)	No	State Plan
9	Limit Payment for IP Days to 23 days for Non-Pregnant Adults	Provide an estimate of savings if IP Days were limited to 23 days per year for non-pregnant adult beneficiaries. Analysis should discuss any federal or state implementation issues with limiting this service and number of beneficiaries impacted.	08/01/2012	($66,603,336)	($148,698,590)	($215,301,926)	No	State Plan
10	Limit Payment for Home Health Visits to 3 visits per recipient per day	Provide an estimate of savings if Home Health Visits were limited to 3 visits per recipient per day for adult beneficiaries. Analysis should discuss any federal or state implementation issues with limiting this service and number of beneficiaries impacted.	08/01/2012	($505,795)	($723,988)	($1,229,783)	No	State Plan
11	Limit Payment for General Practice Visits to 2 per month	Provide an estimate of savings if General Practice visits were limited to 2 visits per month for adult beneficiaries. Analysis should discuss any federal or state implementation issues with limiting this service and number of beneficiaries impacted.	08/01/2012	($1,419,337)	($2,252,131)	($3,671,468)	No	State Plan

MEDICAID IMPACT CONFERENCE
Fiscal Year 2012-13 (Post January 13, 2012)

	Issue	Action	Proposed Start Date	General Revenue (Annualized)	Trust Fund (Annualized)	Total (Annualized)	Federal Approval (Y/N)	Type (State Plan - Waiver)
12	Nursing Home/Hospice Rate Reduction	Provide the estimated savings by reducing the FY 2012-13 Nursing Home/Hospice rates by 1%. Include impact on Hospice rates.	7/01/2012	($12,863,224)	($17,567,870)	($30,431,094)	No	State Plan
13	Hospital Inpatient Rate Reduction	Provide the estimated savings by reducing the FY 2012-13 Hospital Inpatient rates by 1%. Include impact on HMO rates. Provide a mechanism to calculate the rate freeze.	7/01/2012	($14,928,210)	($34,813,176)	($49,741,386)	No	State Plan
14	Hospital Outpatient Rate Reduction	Provide the estimated savings by reducing the FY 2012-13 Hospital Inpatient rates by 1%. Include impact on HMO rates.	7/01/2012	($4,264,048)	($10,015,362)	($14,279,410)	No	State Plan
15	County Health Department Rate Reduction	Provide the estimated savings by reducing the FY 2012-13 County Health Department rates by 1%. Include impact on HMO rates. Provide a mechanism to calculate the reduction.	7/01/2012	($812,050)	($1,118,501)	($1,930,551)	No	State Plan
16	ICF/DD Rate Reduction	Provide the estimated savings by reducing the FY 2012-13 ICF-DD Provider rates by 1%. Provide a mechanism to calculate the reduction.	10/01/2012	($1,073,107)	($1,465,590)	($2,538,697)	No	State Plan
17	Private Duty Nursing Rate Reduction	Provide an estimate of the savings with a reduction in rates for private duty nursing.	08/01/2012	($770,559)	($1,052,387)	($1,822,946)	No	State Plan
18	Physician Services Rate Reduction	Provide an estimate of the savings	08/01/2012	($4,934,775)	($6,939,504)	($11,874,279)	No	State Plan
19	Early Periodic Screening for Children Rate Reduction	Provide an estimate of the savings of a rate reduction for EPSDT services.	08/01/2012	($318,610)	($435,928)	($754,538)	No	State Plan
20	Home Health Rate Reduction	Provide an estimate of the savings of a rate reduction for home health care services.	08/01/2012	($143,641)	($196,454)	($340,095)	No	State Plan
21	Non-Emergency Transportation Rate Reduction	Provide an estimate of the savings for a rate reduction for non-emergency transportation services.	10/01/2012	($258,064)	($352,452)	($610,516)	No	State Plan
22	Lab and X-Ray Services Rate Reduction	Provide an estimate of the savings of a rate reduction for lab and X-Ray services.	08/01/2012	($454,177)	($626,380)	($1,080,557)	No	State Plan
23	Speech Therapy Rate Reduction	Provide an estimate of the savings of a rate reduction to speech therapy services.	08/01/2012	($229,659)	($313,705)	($543,364)	No	State Plan
24	Personal Care Services Rate Reduction	Provide an estimate of the savings of a rate reduction to personal care services.	08/01/2012	($173,191)	($247,521)	($420,712)	No	State Plan
25	Occupational Therapy Rate Reduction	Provide an estimate of the savings of a rate reduction to occupational therapy services.	08/01/2012	($146,563)	($200,181)	($346,744)	No	State Plan
26	Respiratory Therapy Rate Reduction	Provide an estimate of the savings of a rate reduction to respiratory therapy services.	08/01/2012	($85,301)	($116,537)	($201,838)	No	State Plan
27	Physician Assistants Rate Reduction	Provide an estimate of the savings of a rate reduction to physician assistant services.	08/01/2012	($48,237)	($66,055)	($114,292)	No	State Plan
28	Nurse Practitioners Rate Reduction	Provide an estimate of the savings of a rate reduction to nurse practitioner services.	08/01/2012	($30,532)	($41,698)	($72,230)	No	State Plan

MEDICAID IMPACT CONFERENCE
Fiscal Year 2012-13 (Post January 13, 2012)

	Issue	Action	Proposed Start Date	General Revenue (Annualized)	Trust Fund (Annualized)	Total (Annualized)	Federal Approval (Y/N)	Type (State Plan - Waiver)
29	FHK Rate Freeze	Provide an estimate of the savings if FHK capitation rates continue to be frozen at the June 30, 2010 level. Provide a mechanism to calculate the rate freeze.	10/01/2012	($4,128,226)	($9,942,075)	($14,070,301)	No	State Plan
31	Nursing Home Diversion	Provide an estimate of savings associated with increasing nursing home diversion slots by 1,000. Provide a mechanism to calculate the reduction.	7/01/2012	($6,956,559)	($9,500,879)	($16,457,438)	Yes	Waiver
32	Move 1,000 nursing home eligible clients from CCE for the Elderly to nursing home diversion	In conjunction with the Department of Elder Affairs, provide an estimate of the savings from moving 1,000 nursing home and Medicaid eligible clients from the Community Care for the Elderly Program to the nursing home diversion program.	7/01/2012	$7,849,325	$10,720,169	$18,569,494	Yes	Waiver
33	Telephony Expansion and Comprehensive Care Management Pilot Projects	Provide an estimate of savings if the telephony pilot project was expanded to include Broward, Escambia, Martin and Palm Beach counties and if the comprehensive care management pilot project was expanded to include private duty nursing and personal care in Miami-Dade, Broward, Orange, and Palm Beach counties.	10/01/2012	($3,103,803)	($4,585,042)	($7,688,845)	No	State Plan
33A	Telephony Expansion and Comprehensive Care Management Pilot Projects	Expand program statewide for home health visits.	10/01/2012	$355,723	$220,296	$576,019	No	State Plan
33B	Telephony Expansion and Comprehensive Care Management Pilot Projects	Expand program statewide for private duty nursing.	10/01/2012	($3,987,232)	($6,178,114)	($10,165,346)	No	State Plan
33C	Telephony Expansion and Comprehensive Care Management Pilot Projects	Expand program statewide for personal care services.	10/01/2012	($743,783)	($1,371,176)	($2,114,959)	No	State Plan
34	Payment for Preventable Hospital Errors	Provide an estimate of savings by expanding the policy of no longer reimbursing hospitals for preventable errors to the full Medicare policy.	7/1/2012	($429,376)	($2,302,567)	($2,731,943)	No	State Plan
35a	Disease Management HIV/AIDS Contract	Provide an estimate of savings if the HIV/AIDS Disease Management Program was eliminated. Include potential impact of cost shifting for those that would be eligible to receive services through other programs.	10/1/2012	($3,170,250)	($4,329,750)	($7,500,000)	Yes	Waiver
35b	Disease Management Hemophilia Contracts	Provide an estimate of savings if the Hemophilia Pharmacy Discount contracts were eliminated. Include potential impact of cost shifting for those that would be eligible to receive services through other programs.	7/1/2012	$6,271,418	$8,625,063	$14,896,481	No	State Plan

MEDICAID IMPACT CONFERENCE
Fiscal Year 2012-13 (Post January 13, 2012)

	Issue	Action	Proposed Start Date	General Revenue (Annualized)	Trust Fund (Annualized)	Total (Annualized)	Federal Approval (Y/N)	Type (State Plan - Waiver)
36a	Pharmacy Reimbursement	Provide the estimated savings from lowering the pharmacy reimbursement methodology to WAC plus 1.0 percent.	7/1/2012	($3,404,481)	($4,837,849)	($8,242,330)	No	State Plan
36b	Pharmacy Reimbursement	Provide the estimated savings from lowering the pharmacy reimbursement methodology to WAC only.	7/1/2012	($10,369,915)		($24,759,469)	No	State Plan
37a	Reduce Nursing Home Bed Hold Days	Savings associate with limiting nursing home bed hold days to four days instead of eight. Analysis should show savings at 90 percent occupancy rates. (figure shown is for 8 to 4 days)	7/1/2012	$2,667,585	$3,643,240	$6,310,825	No	State Plan
37b	Reduce Nursing Home Bed Hold Days	Savings associate with limiting nursing home bed hold days to four days instead of eight. Analysis should show savings at 85 percent occupancy rates. (figure shown is for 8 to 4 days)	7/1/2012	$5,313,124	$7,256,371	$12,569,495	No	State Plan
37c	Eliminate Nursing Home Bed Hold Days	Savings associate with eliminating nursing home bed hold days.	7/1/2012	($5,952,465)	($8,129,544)	($14,082,009)	No	State Plan
38a	Reduce ICF-DD Bed Hold Days	Savings associate with limiting ICF-DD bed hold days to four days instead of eight. Analysis should show savings at 90 percent occupancy rates. (figure shown is for limit to 4 days)	7/1/2012	($33,191)	($45,331)	($78,522)	No	State Plan
38b	Reduce ICF-DD Bed Hold Days	Savings associate with limiting ICF-DD bed hold days to four days instead of eight. Analysis should show savings at 85 percent occupancy rates. (figure shown is for limit to 4 days)	7/1/2012	($5,532)	($7,556)	($13,088)	No	State Plan
38c	Eliminate ICF-DD Bed Hold Days	Savings associate with eliminating ICF-DD bed hold days.	7/1/2012	($508,928)	($695,066)	($1,203,994)	No	State Plan
40	Revise FQHC Billing Requirements	Provide an estimate of the cost to allow more than one billing for service per day in FQHCs.	10/1/2012			To Be Determined	To Be Determined	State Plan
42	Revise Rural Clinic Billing Requirements	Provide an estimate of the cost to allow more than one billing for service per day in rural clinics.	10/1/2012			To Be Determined	To Be Determined	State Plan
43a	Limit Medically Needy Program to Physician Services Only for Adults and Continue Funding for Children and Pregnant Women	Update AHCA reduction issue 33V6000 from Schedule VIII-B.	4/1/2013	($361,995,115)	($545,027,014)	($907,022,129)	No	State Plan

MEDICAID IMPACT CONFERENCE
Fiscal Year 2012-13 (Post January 13, 2012)

	Issue	Action	Proposed Start Date	General Revenue (Annualized)	Trust Fund (Annualized)	Total (Annualized)	Federal Approval (Y/N)	Type (State Plan - Waiver)
43b	Limit Medically Needy Program to Physician, Inpatient, Outpatient and Drugs for Adults and Continue Funding for Children and Pregnant Women	Consistent with the Governor's Recommendation	4/1/2013	($23,005,825)	($32,124,353)	($55,130,178)	No	State Plan
44a	Limitation on Medipass	Provide an estimate of the savings with the elimination of Medipass in counties with 2 or more managed care plans. Assume current projections of IGT contributions for exempt hospitals and buy-backs are maintained and are used to support capitated health plan payments to hospitals in affected counties.	11/1/2012	($31,262,320)	($43,385,569)	($74,647,889)	Yes	Waiver
44b	Limitation on Medipass	Provide an estimate of the savings with the elimination of Medipass in counties with 2 or more managed care plans. Assume no IGTs are contributed to support capitated health plan payments to hospitals in affected counties. Change only applied to mandatory populations.	11/1/2012	$64,678,918	($139,326,807)	($74,647,889)	Yes	Waiver
45	Retract 20% of Dental Provider Increase and allow fee for service	Provide an estimate of the savings of reducing rate increase provided to pediatric dentistry for FY 2011-2012 by 20% and allow fee for service in conjunction with pre-paid dental plans.	10/1/2012	($4,923,109)	($6,775,206)	($11,698,315)	No	State Plan
46	Increase Private Duty Nursing Rates	Costs associated with paying a blended rate (LPN and RN) for Private Duty Nursing Services based on Fiscal Year 2012-13 Estimate. Analysis should show incremental costs for blended rates of $25.00-$27.50 in $0.50 increments. (figure shown is for the $25.00 blend)	7/01/2012	$1,155,943	$1,578,721	$2,734,664	No	State Plan
47a	Make Kidcare Available to State Employees	In conjunction with the Department of Management Services, provide an estimate of the savings from allowing state employees to enroll in the Kidcare program. See SB 510.	7/01/2012	($626,704)	$14,316	($612,388)	No	State Plan
47b	Make Kidcare Available to State Employees (change in GR match & reduced transfer rate)	In conjunction with the Department of Management Services, provide an estimate of the savings from allowing state employees to enroll in the Kidcare program. See SB 510. (Change in GR share from 70% to 66.7% and reduced state employee transfers by 10%)	7/01/2012	($519,316)	$14,564	($504,752)	No	State Plan
48	ICF/DD Assessment	Provide an estimate of revenue generated by requiring an assessment of net revenue to ICF/DD facilities up to the maximum allowable amount of 6%.	7/01/2012	$0	{34,089,319}	{34,089,319}	No	Waiver

MEDICAID IMPACT CONFERENCE
Fiscal Year 2012-13 (Post January 13, 2012)

	Issue	Action	Proposed Start Date	General Revenue (Annualized)	Trust Fund (Annualized)	Total (Annualized)	Federal Approval (Y/N)	Type (State Plan - Waiver)
49	Nursing Home/Hospice Assessment	Provide an estimate of revenue generated by requiring an assessment of net revenue to Nursing Home/Hospice facilities up to the maximum allowable amount of 6%.	7/01/2012	$0	{973,804,973}	{973,804,973}	No	Waiver
50	Increase FHK Rate to Provide an 85% MLR	Costs associated with increasing FHK Rate to provide an 85% medical loss ratio for FY 2012-13.	10/01/2012	$5,504,301	$13,256,099	$18,760,400	No	State Plan
51	Hospital Emergency Departments	Provide an estimate of savings if payments to hospital emergency departments were adjusted to reimbursement non-emergent care visits using the diagnostic code that corresponds to the type of non-emergent care visit. (Additional Informaiton was sent under a previous email).	To Be Determined			To Be Determined	No	State Plan
52	Hospital Rate Banding	Update the Governor's Proposal related to hospital rate banding.	7/01/2012	($388,245,581)	($1,545,455,269)	($1,933,700,850)	No	State Plan
53	Eliminate Optional Eligibility Category - Medicaid for Aged and Disabled	Update AHCA reduction issue 33V6100 from Schedule VIII-B.	10/01/2012	($11,238,692)	($16,368,104)	($27,606,796)	Yes	Waiver

Medicaid Impact Conference
Session 2012

ISSUE DETAIL

Post Conference: January 13, 2012

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 1

Proposal Name:	Eliminate Adult Dental Services
Brief Description of Proposal:	Provide savings associated with eliminating this service based on FY 2012-13 estimates.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	08/01/2012
If not July 1, start date; please explain.	Florida Administrative Code and Medicaid State Plan Amendment updates required.
Total Cost/(Savings)/{Revenue}:	($30,434,002)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days - • Rule Development • Revisions to State Plan • FMMIS programming to capture changes in reimbursement methodology for recipients age 21 and over.
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	Revisions to State Plan: 60 days.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Existing rule 59G-4.060 would require revisions: 90 days
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Last year Impact Conference 2011
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 1 Cont.**

Lead Analyst:	Mary Cerasoli, Medicaid Services
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January, 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($30,434,002)**		**($33,200,730)**
General Revenue:	**($12,753,912)**		**($13,913,359)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($17,418,581)**		**($19,002,088)**
Refugee Assistance Trust Fund:	**($261,509)**		**($285,283)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 1 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Adults in Medicaid can receive emergency room dental procedures to alleviate pain or infection.

FY1213 ADULT DENTAL FORECAST*	
TOTAL COST	$33,200,730
TOTAL GENERAL REVENUE	$13,913,359
TOTAL MEDICAL CARE TRUST FUND	$19,002,088
TOTAL REFUGEE ASSISTANCE TF	$285,283

* SSEC January 2012

ANNUALIZED COST SAVINGS	
COST SAVINGS	($33,200,730)
GENERAL REVENUE	($13,913,359)
MEDICAL CARE TRUST FUND	($19,002,088)
REFUGEE ASSISTANCE TF	($285,283)

1 MONTH LAPSED COST SAVINGS	
COST SAVINGS	($30,434,002)
GENERAL REVENUE	($12,753,912)
MEDICAL CARE TRUST FUND	($17,418,581)
REFUGEE ASSISTANCE TF	($261,509)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 2

Proposal Name:	Eliminate Adult Visual and Hearing Services
Brief Description of Proposal:	Provide savings associated with eliminating these services based on FY 2012-13 estimates
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	08/01/2012
If not July 1, start date; please explain.	Florida Administrative Code and Medicaid State Plan Amendment updates required.
Total Cost/(Savings)/{Revenue}:	($16,201,687)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days - • Rule Development • Revisions to State Plan • FMMIS programming to capture changes in reimbursement methodology for recipients age 21 and over.
II. Will this proposal require a change in Florida Statute?	Yes	409.906(12), F.S.
III. Will this proposal require a State Plan Amendment?	Yes	Revisions to State Plan: 60 days.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Will require update of existing Hearing Services Program rule. 59G-4.110 Hearing Services. Will require update of existing rules for both the Optometric and the Visual Services Programs. 59G-4.210 Optometric Services and 59G-4.340 Visual Services
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Last year Impact Conference 2011
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 2 Cont.**

Lead Analyst:	Kathryn R. Stephens, Medicaid Services
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($16,201,687)**		**($17,677,847)**
General Revenue:	**($6,726,408)**		**($7,338,844)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($9,192,011)**		**($10,029,535)**
Refugee Assistance Trust Fund:	**($279,272)**		**($304,674)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Health Care Trust Fund:	**($3,996)**		**($4,795)**

Work Papers/Notes/Comments:

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles): If the legislature mandates adult hearing services be eliminated, it is requested that medically necessary maintenance of previously implanted cochlear and BAHA devices be exempted. Those adult recipients who have already undergone the implantation surgery and use a prosthetic hearing device will require maintenance of that device or the device will cease to function and/or cause infection and pain, and the recipients will be left without sound.

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 2 Cont.**

ADULT VISION (No Crossover)	FY1213*
COST SAVINGS	($13,829,601)
GENERAL REVENUE	($5,744,862)
MEDICAL CARE TRUST FUND	($7,846,014)
REFUGEE ASSISTANCE TF	($238,725)
TOTAL HEALTH CARE TF	$0

LAPSED PREPAID HEALTH PLAN OFFSET
$ (27,822)
$ (8,013)
$ (15,998)
$ (110)
$ (3,701)

ANNUALIZED PREPAID HEALTH PLAN OFFSET
$ (33,387)
$ (9,615)
$ (19,199)
$ (133)
$ (4,441)

ADULT HEARING (No Crossover)	FY1213*
COST SAVINGS	($3,812,198)
GENERAL REVENUE	($1,583,600)
MEDICAL CARE TRUST FUND	($2,162,792)
REFUGEE ASSISTANCE TF	($65,806)
TOTAL HEALTH CARE TF	$0

LAPSED PREPAID HEALTH PLAN OFFSET
($2,217)
($639)
($1,274)
($9)
($295)

ANNUALIZED PREPAID HEALTH PLAN OFFSET
($2,661)
($766)
($1,530)
($11)
($354)

* SSEC January 2012

GRAND TOTAL ADULT VISION & HEARING

TOTAL LAPSED SAVINGS*	($16,201,687)
TOTAL GENERAL REVENUE	($6,726,408)
TOTAL MEDICAL CARE TRUST FUND	($9,192,011)
TOTAL REFUGEE ASSISTANCE TF	($279,272)
TOTAL HEALTH CARE TF	($3,996)

* Service costs lapsed 1 month, HMO offset lapsed 2 months

TOTAL ANNUALIZED COST SAVINGS	($17,677,847)
TOTAL GENERAL REVENUE	($7,338,844)
TOTAL MEDICAL CARE TRUST FUND	($10,029,535)
TOTAL REFUGEE ASSISTANCE TF	($304,674)
TOTAL HEALTH CARE TF	($4,795)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 3

Proposal Name:	Eliminate Adult Podiatry Services
Brief Description of Proposal:	Provide savings associated with eliminating this service based on FY 2012-13 estimates.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	08/01/2012
If not July 1, start date; please explain.	Florida Administrative Code and Medicaid State Plan Amendment updates required.
Total Cost/(Savings)/{Revenue}:	($3,336,680)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days - • Rule Development • Revisions to State Plan • FMMIS programming to capture changes in reimbursement methodology for recipients age 21 and over
II. Will this proposal require a change in Florida Statute?	Yes	
III. Will this proposal require a State Plan Amendment?	Yes	State Plan Amendment: 60 days
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Will require update of existing Podiatry Services rule (59G-4.220).
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Last year Impact Conference 2011
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 3 Cont.**

Lead Analyst:	Kathryn R. Stephens, Medicaid Services
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($3,336,680)**		**($3,640,015)**
General Revenue:	**($1,406,723)**		**($1,534,607)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($1,921,224)**		**($2,095,881)**
Refugee Assistance Trust Fund:	**($8,733)**		**($9,527)**
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 3 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles): The elimination of these services to adults will cause loss of income to enrolled podiatrists. Most of the foot and lower limb care and surgical treatment provided by podiatrists could be performed by other medical professionals enrolled as Medicaid providers.

FY1213*	TOTAL	GEN REV	MED CARE TF	REFUGEE TF
PHYSICIAN SERVICE	$1,072,750,329	$450,643,694	$619,298,765	$2,807,870

* SSEC January 2012

	TOTAL	GEN REV	MED CARE TF	REFUGEE TF
PODIATRIST TOTAL	($4,437,599)	($1,870,863)	($2,555,121)	($11,615)
ADULTS	($3,640,015)	($1,534,607)	($2,095,881)	($9,527)
CHILDREN	($797,584)	($336,256)	($459,240)	($2,088)

ADULT ANNUALIZED	($3,640,015)	($1,534,607)	($2,095,881)	($9,527)
ADULT 1 MONTH LAPSE	($3,336,680)	($1,406,723)	($1,921,224)	($8,733)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 4

Proposal Name:	Eliminate Adult Chiropractic Services
Brief Description of Proposal:	Provide savings associated with eliminating this service based on FY 2012-13 estimates.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	08/01/2012
If not July 1, start date; please explain.	Florida Administrative Code and Medicaid State Plan Amendment updates required.
Total Cost/(Savings)/{Revenue}:	($939,350)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days - • Rule Development • Revisions to State Plan • FMMIS programming to capture changes in reimbursement methodology for recipients age 21 and over
II. Will this proposal require a change in Florida Statute?	Yes	
III. Will this proposal require a State Plan Amendment?	Yes	State Plan Amendment: 60 days
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Will require update of existing Chiropractic Services rule (59G-4.040).
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Last year Impact Conference 2011
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 4 Cont.**

Lead Analyst:	Kathryn R. Stephens, Medicaid Services
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($939,350)**		**($1,024,745)**
General Revenue:	**($396,024)**		**($432,026)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($540,867)**		**($590,037)**
Refugee Assistance Trust Fund:	**($2,459)**		**($2,682)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 4 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles

FY1213*	TOTAL	GEN REV	MED CARE TF	REFUGEE TF
PHYSICIAN SERVICE	$1,072,750,329	$450,643,694	$619,298,765	$2,807,870

* SSEC January 2012

	TOTAL	GEN REV	MED CARE TF	REFUGEE TF
CHIROPRATIC TOTAL	($1,460,252)	($615,633)	($840,797)	($3,822)
ADULTS	($1,024,745)	($432,026)	($590,037)	($2,682)
CHILDREN	($435,507)	($183,607)	($250,760)	($1,140)

ADULT ANNUALIZED	($1,024,745)	($432,026)	($590,037)	($2,682)
ADULT 1 MONTH LAPSE	($939,350)	($396,024)	($540,867)	($2,459)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 5

Proposal Name:	Limit Adult Podiatry Services
Brief Description of Proposal:	Limit Payment for Podiatry Services to 12 visits per year for Adults.
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	08/01/12
If not July 1, start date; please explain.	Florida Administrative Code and Medicaid State Plan Amendment updates required.
Total Cost/(Savings)/{Revenue}:	($150,190)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days • Rule Development • Revisions to State Plan • FMMIS programming to capture changes in reimbursement methodology for recipient age 21 and over
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	Attachment 3.1-B, page 25, of the current Medicaid State Plan Amendment includes the maximum number of visits allowed per year.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Will require update of existing Podiatry Services rule (59G-4.220).
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 5 Cont.**

Lead Analyst:	Kathryn R. Stephens, Medicaid Services
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($150,190)**		**($163,844)**
General Revenue:	**($63,320)**		**($69,076)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($86,477**		**($94,339)**
Refugee Assistance Trust Fund:	**($393)**		**($429)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 5 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

This would still allow treatment as the services are not being eliminated.

	TOTAL	GEN REV	MED CARE TF	REFUGEE TF
PODIATRIST TOTAL	($4,437,599)	($1,870,863)	($2,555,121)	($11,615)
ADULTS	($3,640,015)	($1,534,607)	($2,095,881)	($9,527)
CHILDREN	($797,584)	($336,256)	($459,240)	($2,088)

Limit Adults to 12 Podiatrist Visits per Year

	TOTAL	GEN REV	MED CARE TF	REFUGEE TF
ADULT ANNUALIZED	($163,844)	($69,076)	($94,339)	($429)
ADULT 1 MONTH LAPSE	($150,190)	($63,320)	($86,477)	($393)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 6

Proposal Name:	Limit Adult Chiropractic Services
Brief Description of Proposal:	Limit Payment for Chiropractic Services to 12 visits per year for Adults.
Proposed State Fiscal Year: 12/13	2012-13
Proposed Start Date: 10/01/2012	08/01/12
If not July 1, start date; please explain.	Florida Administrative Code and Medicaid State Plan Amendment updates required.
Total Cost/(Savings)/{Revenue}:	($88,019)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days- • Rule Development • Revisions to State Plan • FMMIS programming to capture changes in reimbursement methodology for recipient age 21 and over
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	Attachment 3.1-B, page 27, of the current Medicaid State Plan includes the maximum number of visits allowed per calendar year.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Will require update of existing Chiropractic Services rule (59G-4.040).
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 6 Cont.**

Lead Analyst:	Kathryn R. Stephens, Medicaid Services
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($88,019)**		**($96,021)**
General Revenue:	**($37,109)**		**($40,482)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($50,680)**		**($55,288)**
Refugee Assistance Trust Fund:	**($230)**		**($251)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 6 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

	TOTAL	GEN REV	MED CARE TF	REFUGEE TF
CHIROPRATIC TOTAL	($1,460,252)	($615,633)	($840,797)	($3,822)
ADULTS	($1,024,745)	($432,026)	($590,037)	($2,682)
CHILDREN	($435,507)	($183,607)	($250,760)	($1,140)

Limit Adults to 12 Chiropractic Visits per Year

	TOTAL	GEN REV	MED CARE TF	REFUGEE TF
ADULT ANNUALIZED	($96,021)	($40,482)	($55,288)	($251)
ADULT 1 MONTH LAPSE	($88,019)	($37,109)	($50,680)	($230)

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Proposal: Issue # 7**

Proposal Name:	Limit Adult Emergency Room Services
Brief Description of Proposal:	Limit Payment for Emergency Room Services to 12 visits per year for Adults.
Proposed State Fiscal Year: 00/00	2012-13
Proposed Start Date: 00/00/0000	08/01/12
If not July 1, start date; please explain.	Need time to amend FMMIS, State Plan, and administrative rule.
Total Cost/(Savings)/{Revenue}:	($15,874,155)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	N/A	At least 90 days needed for FMMIS system changes. At least 180 days needed for State Plan amendment. At least 180 days needed for rule change (59G-4.160) and Hospital Services handbook).
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	90 – 180 days.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Rule amendment (59G-4.160), at least 180 days.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	Yes	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 7 Cont.**

Lead Analyst:	Pam Kyllonen, Medicaid Services
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($15,874,155)**		**($17,790,167)**
General Revenue:	**($6,623,383)**		**($7,416,854)**
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**($9,214,102)**		**($10,331,432)**
Refugee Assistance Trust Fund:	**($36,670)**		**($41,881)**
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 7 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

This issue limits hospital emergency room visits for non-pregnant adults to no more than 12 visits per year. It is estimated that this would account for about a 1.25% reduction to the outpatient services line, and about 2,000 recipients would be impacted, with approximately 15,000 visits being eliminated.

LIMIT ER UTILIZATION TO 12 PER YEAR PER ADULT

ER Utilization Reduction Factor:	0.012459

	ANNUALIZED	(HMO offset is 2 month lapse) 1 MONTH LAPSE
TOTAL COST SAVINGS:	($17,790,167)	($15,874,155)
TOTAL GENERAL REVENUE	($7,416,854)	($6,623,383)
TOTAL MEDICAL CARE TRUST FUND	($10,331,432)	($9,214,102)
TOTAL REFUGEE ASSISTANCE TF	($41,881)	($36,670)

HOSPITAL OUTPATIENT SERVICES

MEDICAID CASELOAD	1,410,063	1,410,063			
MEDICAID UTILIZATION RATE	77.26%	76.30%			
MEDICAID SERVICES PER MONTH	1,089,447	1,075,874	reduction factor impact		
MEDICAID UNIT COST	$77.29	$77.29			
MEDICAID TOTAL COST	$1,010,401,204	$997,813,005			
			ANNUALIZED SAVINGS		HMO FACTOR
TOTAL COST	$1,010,401,204	$997,813,005	($12,588,199)	0.9875414	0.001524262
TOTAL GENERAL REVENUE	$426,376,200	$421,064,143	($5,312,057)		
TOTAL MEDICAL CARE TRUST FUND	$582,320,748	$575,065,839	($7,254,909)		
TOTAL REFUGEE ASSISTANCE TF	$1,704,256	$1,683,023	($21,233)		

PREPAID HEALTH PLAN

CASELOAD	1,273,904	1,273,904		
UNIT COST	$223.25	$222.91	0.998475738	issue impact on HMO cost
TOTAL COST	$3,412,777,995	$3,407,576,027		

Medicaid Impact Conference Issues

January 13, 2012

CASELOAD-MENTAL HEALTH	672,090	672,090	
UNIT COST	$34.19	$34.19	
TOTAL COST	$275,746,383	$275,746,383	
			ANNUALIZED SAVINGS
TOTAL COST	$3,688,524,378	$3,683,322,410	($5,201,968)
TOTAL GENERAL REVENUE	$1,062,265,365	$1,060,160,568	($2,104,797)
TOTAL OTHER STATE FUNDS	$0		$0
TOTAL MEDICAL CARE TRUST FUND	$2,121,018,506	$2,117,941,983	($3,076,523)
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,619,859	($20,648)
TOTAL HEALTH CARE TF	$490,600,000	$490,600,000	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 8

Proposal Name:	Limit Adult Emergency Room Services
Brief Description of Proposal:	Limit Payment for Emergency Room Services to 6 visits per year for Adults.
Proposed State Fiscal Year: 00/00	2012-13
Proposed Start Date: 00/00/0000	08/01/12
If not July 1, start date; please explain.	Need time to amend FMMIS, State Plan and administrative rule.
Total Cost/(Savings)/{Revenue}:	($46,714,903)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	N/A	At least 90 days needed for FMMIS system changes. At least 180 days needed for State Plan amendment. At least 180 days needed for rule change (59G-4.160 Hospital Services handbook).
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	90 – 180 days
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Rule amendment, at least 180 days.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	Yes	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 8 Cont.**

Lead Analyst:	Pam Kyllonen, Medicaid Services
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($46,714,903)**		**($52,353,394)**
General Revenue:	**($19,629,652)**		**($21,992,336)**
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**($26,977,338)**		**($30,237,811)**
Refugee Assistance Trust Fund:	**($107,913)**		**($123,247)**
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 8 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

LIMIT ER UTILIZATION TO 6 PER YEAR PER ADULT

ER Utilization Reduction Factor:	0.036663857

	ANNUALIZED	1 MONTH LAPSE	(2 months for HMOs)
TOTAL COST	($52,353,394)	($46,714,903)	
TOTAL GENERAL REVENUE	($21,992,336)	($19,629,652)	
TOTAL MEDICAL CARE TRUST FUND	($30,237,811)	($26,977,338)	
TOTAL REFUGEE ASSISTANCE TF	($123,247)	($107,913)	

HOSPITAL OUTPATIENT SERVICES

MEDICAID CASELOAD	1,410,063	1,410,063	
MEDICAID UTILIZATION RATE	77.26%	74.43%	
MEDICAID SERVICES PER MONTH	1,089,447	1,049,504	reduction factor impact
MEDICAID UNIT COST	$77.29	$77.29	
MEDICAID TOTAL COST	$1,010,401,204	$973,356,304	

			SAVINGS		HMO FACTOR
TOTAL COST	$1,010,401,204	$973,356,304	($37,044,900)	0.963336	0.00448564
TOTAL GENERAL REVENUE	$426,376,200	$410,743,733	($15,632,467)		
TOTAL MEDICAL CARE TRUST FUND	$582,320,748	$560,970,799	($21,349,949)		
TOTAL REFUGEE ASSISTANCE TF	$1,704,256	$1,641,772	($62,484)		

PREPAID HEALTH PLAN

CASELOAD	1,273,904	1,273,904		
UNIT COST	$223.25	$222.25	0.99551436	issue impact on HMO cost
TOTAL COST	$3,412,777,995	$3,397,469,501		

Medicaid Impact Conference Issues

January 13, 2012

CASELOAD-MENTAL HEALTH	672,090	672,090	
UNIT COST	$34.19	$34.19	
TOTAL COST	$275,746,383	$275,746,383	
			SAVINGS
TOTAL COST	$3,688,524,378	$3,673,215,884	($15,308,494)
TOTAL GENERAL REVENUE	$1,062,265,365	$1,055,905,496	($6,359,869)
TOTAL OTHER STATE FUNDS	$0		$0
TOTAL MEDICAL CARE TRUST FUND	$2,121,018,506	$2,112,130,644	($8,887,862)
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,579,744	($60,763)
TOTAL HEALTH CARE TF	$490,600,000	$490,600,000	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 9

Proposal Name:	Limit Inpatient Days to 23 for Non-Pregnant Adults.
Brief Description of Proposal:	Estimate of savings from reducing inpatient care to 23 days for non-pregnant adults.
Proposed State Fiscal Year: 00/00	2012-13
Proposed Start Date: 00/00/0000	08/01/12
If not July 1, start date; please explain.	Need time to amend FMMIS, State Plan, and administrative rule.
Total Cost/(Savings)/{Revenue}:	($192,847,757)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	120 days	120 days needed for FMMIS system changes. 120 days needed for State Plan amendment. 180 days needed for rule change (59G-4.160 Hospital Services handbook).
II. Will this proposal require a change in Florida Statute?	Yes	409.905(5)
III. Will this proposal require a State Plan Amendment?	Yes	90 – 180 days
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Rule amendment, at least 180 days. 59G-4.160 and 59G-4.150
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	Yes	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 9 Cont.**

Lead Analyst:	Pam Kyllonen, Medicaid Services
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($192,847,757)**		**($215,301,926)**
General Revenue:	**($59,160,374)**		**($66,603,336)**
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**($111,430,766)**		**($124,399,106)**
Refugee Assistance Trust Fund:	**($347,379)**		**($398,497)**
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($21,909,238)**		**($23,900,987)**
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 9 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

This will require changes to the eQHealth Solutions prior authorization contract.

This issue limits inpatient days for non-pregnant adults to 23 per year and would require a statutory change.
Medicaid would be responsible for reimbursing days 1 through 7, with county responsibility beginning at day 8.
It is estimated that this would result in about a 4.3% reduction in inpatient days (about 75,000 days), with about 7,000 recipients being impacted.

LIMIT ADULTS TO 23 INPATIENT DAYS PER YEAR

IP Reduction Factor:	0.043313621

	ANNUALIZED	1 MONTH LAPSE	(HMO is 2 months lapse)
TOTAL COST	($215,301,926)	($192,847,757)	
TOTAL GENERAL REVENUE	($66,603,336)	($59,160,374)	
TOTAL MEDICAL CARE TRUST FUND	($124,399,106)	($111,430,766)	
TOTAL REFUGEE ASSISTANCE TF	($398,497)	($347,379)	
TOTAL GRANTS AND DONATIONS TF	($23,900,987)	($21,909,238)	

HOSPITAL INPATIENT SERVICES

MEDICAID CASELOAD	1,410,063	1,410,063		
MEDICAID UTILIZATION RATE	2.46%	2.36%		
MEDICAID ADMISSIONS PER MONTH	34,725	33,221		
MEDICAID DAYS PER ADMISSION	5.16	5.16		
MEDICAID PER DIEM	$1,729.23	$1,729.23		HMO FACTOR
MEDICAID TOTAL COST	$3,720,617,072	$3,559,463,260	0.956686268	0.015866287
	2,151,604	2,058,410	(93,194)	
AM-SURG CASELOAD	3,185,079	3,185,079		
AM-SURG UTILIZATION RATE	0.12%	0		
AM-SURG SERVICES/MONTH	3,800	3,800		
AM-SURG UNIT COST	$484.91	485		
AM-SURG TOTAL COST	$22,111,954	22,111,954		

Medicaid Impact Conference Issues

January 13, 2012

CHILD CASELOAD	1,884,493	1,884,493		
CHILD UTILIZATION RATE	0.04%	0		
CHILD SERVICES/MONTH	775	775		
CHILD UNIT COST	$6,600.31	6,600		
CHILD TOTAL COST	$61,382,891	61,382,891		
SPECIAL PAYMENTS TO HOSPITALS	$0	0		
DISPROPORTIONATE SHARE	$0	0		
			SAVINGS	
TOTAL COST	$3,804,111,917	$3,642,958,105	($161,153,812)	
TOTAL GENERAL REVENUE	$603,537,926	$559,646,802	($43,891,124)	
TOTAL MEDICAL CARE TRUST FUND	$2,193,917,106	$2,100,738,977	($93,178,129)	
TOTAL REFUGEE ASSISTANCE TF	$4,238,201	$4,054,629	($183,572)	
TOTAL PUBLIC MEDICAL ASSIST TF	$395,610,000	$395,610,000	$0	
TOTAL GRANTS AND DONATIONS TF	$580,862,136	$556,961,149	($23,900,987)	
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0	
TOTAL OTHER STATE FUNDS	$25,946,548	$25,946,548	$0	

PREPAID HEALTH PLAN

CASELOAD	1,273,904	1,273,904		
				issue impact on HMO
UNIT COST	$223.25	$219.71	0.984133713	cost
TOTAL COST	$3,412,777,995	$3,358,629,881		
CASELOAD-MENTAL HEALTH	672,090	672,090		
UNIT COST	$34.19	$34.19		
TOTAL COST	$275,746,383	$275,746,383		
			SAVINGS	
TOTAL COST	$3,688,524,378	$3,634,376,264	($54,148,114)	
TOTAL GENERAL REVENUE	$1,062,265,365	$1,039,553,153	($22,712,212)	
TOTAL OTHER STATE FUNDS	$0		$0	
TOTAL MEDICAL CARE TRUST FUND	$2,121,018,506	$2,089,797,529	($31,220,977)	
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,425,582	($214,925)	
TOTAL HEALTH CARE TF	$490,600,000	$490,600,000	$0	
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0	

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 10

Proposal Name:	Limit Home Health Visits to Adults to 3 per day
Brief Description of Proposal:	Estimate savings from reducing to 3 the maximum daily home health visits for adults.
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	08/01/12
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	($1,118,860)
Bureau(s) Responsible for Administration:	Medicaid Services, Medicaid Contract Management

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	At least 120 days:: • Submission and approval on a state plan amendment; • Rule promulgation; • System changes in FMMIS; • Notification to providers and recipients.
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	90 -180 days
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	At least 120 days.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Similar fiscal impact analysis prepared for legislative staff in October 2011.
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 10 Cont.**

Lead Analyst:	Claire Anthony-Davis, Medicaid Services
Secondary Analyst:	David Royce, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($1,118,860)**		**($1,229,783)**
General Revenue:	**($461,216)**		**($505,795)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($645,354)**		**($709,318)**
Refugee Assistance Trust Fund:	**($1,063)**		**($1,197)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Health Care Trust Fund:	**($11,227)**		**($13,473)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 10 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

The majority of the recipients receiving home health aide visits are dually enrolled Medicare and Medicaid recipients. These dually eligible recipients cannot receive home health aide visits through their Medicare benefit unless they are also receiving skilled nursing services, which many are not. It may be worthwhile to consider implementing an exception process that would be available to recipients who have a severe medically complex condition (i.e., cerebral palsy) that warrants more than 3 visits per day to help avoid more expensive institutional care.

LIMIT HOME HEALTH VISITS TO A MAX OF 3 PER DAY

BASE YEAR: FY1011 (claims thru Nov 2011)		
ADULT RECIPS WITH MORE THAN 3 UNITS PER DAY	UNITS IN EXCESS OF 3 PER DAY	COSTS FOR EXCESS UNITS
484	54,093	$1,005,606

EXTRAPOLATION FACTOR FROM FY1011 TO FY1213	112%	$1,128,490

			2 Month Lapse
			PREPAID HEALTH PLAN OFFSET
TOTAL FFS COST SAVING	**1 MONTH LAPSE**	($1,034,449)	($84,411)
TOTAL GENERAL REVENUE		($436,905)	($24,310)
TOTAL MEDICAL CARE TF		($596,815)	($48,539)
TOTAL REFUGEE ASSIST TF		($728)	($335)
TOTAL HEALTH CARE TF		$0	($11,227)

			ANNUALIZED
			PREPAID HEALTH PLAN OFFSET
TOTAL FFS COST SAVING	**ANNUALIZED**	($1,128,490)	($101,293)
TOTAL GENERAL REVENUE		($476,624)	($29,171)
TOTAL MEDICAL CARE TF		($651,072)	($58,247)
TOTAL REFUGEE ASSIST TF		($794)	($402)
TOTAL HEALTH CARE TF		$0	($13,473)

Medicaid Impact Conference Issues

January 13, 2012

Limit Payment for Home Health Visits to 3 Visits Per Recipient Per Day **TOTAL ISSUE SAVINGS**		
	1 MONTH LAPSE	**ANNUALIZED**
TOTAL ISSUE SAVINGS	($1,118,860)	($1,229,783)
TOTAL GENERAL REVENUE	($461,216)	($505,795)
TOTAL MEDICAL CARE TF	($645,354)	($709,318)
TOTAL REFUGEE ASSIST TF	($1,063)	($1,197)
TOTAL HEALTH CARE TF	($11,227)	($13,473)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #11

Proposal Name:	Limit General Practice Office Visits to 2 Per Month for Adults
Brief Description of Proposal:	Limit General Practice Office Visits to 2 Per Month for Adults.
Proposed State Fiscal Year: 00/00	2012-13
Proposed Start Date: 00/00/0000	08/01/2012
If not July 1, start date; please explain.	Florida Administrative Code and Medicaid State Plan Amendment updates, notices to recipients and providers, FLMMIS changes,
Total Cost/(Savings)/{Revenue}:	($3,266,607)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 Days • FMMIS programming to capture changes to reimbursement methodology • Amend State plan for limits • Amend provider handbooks • Notify providers of change-provider alert and bulletin • Prepare notices for recipients (must notify in advance)
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	Revisions to State Plan, since this will be a limitation placed on a service.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Existing rules would require revisions. 59G-4.230, 59G-4.010, and 59G-4.231.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #11 Cont.**

Lead Analyst:	Charlene DeMarco/ Linda Hudson- Practitioner Service Unit
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 2012. Based on physician services, nurse practitioners, physician assistants, with prepaid health plan offset.
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($3,266,607)**		**($3,671,468)**
General Revenue:	**($1,266,530)**		**($1,419,337)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($1,989,512)**		**($2,240,177)**
Refugee Assistance Trust Fund:	**($10,565)**		**($11,954)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 11Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles): There is currently no limit to practitioners monthly visits for adult beneficiaries. The reduction in Adult General practice visits to 2 per month will require amendments to the Medicaid State Plan and Florida Administrative Code, which will take at least 120 days to promulgate and implement.

Limit adults to 2 visits per month
includes Physicians, Nurse practitioners and Physician Assistants

	ANNUALIZED	1 Month Lapse	(HMO 2 month lapse)			
TOTAL COST	($3,671,468)	($3,266,607)				
TOTAL GENERAL REVENUE	($1,419,337)	($1,266,530)				
TOTAL MEDICAL CARE TRUST FUND	($2,240,177)	($1,989,512)				
TOTAL REFUGEE ASSISTANCE TF	($11,954)	($10,565)				
PHYSICIAN SERVICES						
MEDICAID CASELOAD	1,410,063		1,410,063			
MEDICAID UTILIZATION RATE	158.80%		158.44%			
MEDICAID SERVICES/MONTH	2,239,146	5,103	2,234,043			
MEDICAID UNIT COST	$39.92		$39.92			
MEDICAID TOTAL COST	$1,072,750,329		$1,070,305,538		-0.00228	-0.000343212
CROSSOVER CASELOAD	501,109		501,109			
CROSSOVER UTILIZATION RATE	27.29%		27.29%			
CROSSOVER SERVICES/MONTH	136,752		136,752			
CROSSOVER UNIT COST	$43.49		$43.49			
CROSSOVER COST	$71,360,525		$71,360,525			
PHYSICIAN UPL	$120,000,000		$120,000,000			
TOTAL COST	$1,264,110,854		$1,261,666,063	($2,444,791)		
TOTAL GENERAL REVENUE	$343,376,426		$342,388,250	($988,176)		
TOTAL MEDICAL CARE TRUST FUND	$778,916,404		$777,466,994	($1,449,410)		
TOTAL REFUGEE ASSISTANCE TF	$2,807,870		$2,800,665	($7,205)		
TOTAL PUBLIC MEDICAL ASSIST TF	$60,800,000		$60,800,000	$0		
TOTAL HEALTH CARE TF	$19,200,000		$19,200,000	$0		

TOTAL TOBACCO SETTLEMENT TF	$58,738,330		$58,738,330	$0		
TOTAL GRANTS AND DONATIONS TF	$271,824		$271,824	$0		
NURSE PRACTITIONER SERVICES						
MEDICAID CASELOAD	3,185,079		3,185,079			
MEDICAID UTILIZATION RATE	0.34%		0.34%			
MEDICAID SERVICES PER MONTH	10,888	25	10,863			
MEDICAID UNIT COST	$46.20		$46.20			
MEDICAID TOTAL COST	$6,036,123		$6,022,263		-0.0023	-1.12178E-06
CROSSOVER CASELOAD	551,914		551,914			
CROSSOVER UTILIZATION RATE	0.78%		0.78%			
CROSSOVER SERVICES/MONTH	4,279		4,279			
CROSSOVER UNIT COST	$22.97		$22.97			
CROSSOVER COST	$1,179,382		$1,179,382			
TOTAL COST	$7,215,505		$7,201,645	($13,860)		
TOTAL GENERAL REVENUE	$3,049,991		$3,044,132	($5,859)		
TOTAL MEDICAL CARE TRUST FUND	$4,165,514		$4,157,513	($8,001)		
TOTAL REFUGEE ASSISTANCE TF	$0		$0	$0		
TOTAL TOBACCO SETTLEMENT TF	$0		$0	$0		
TOTAL GRANTS AND DONATIONS TF	$0		$0	$0		
PHYSICIAN ASSISTANT SERVICES						
MEDICAID CASELOAD	1,410,063		1,410,063			
MEDICAID UTILIZATION RATE	1.34%		1.34%			
MEDICAID SERVICES PER MONTH	18,895	43	18,852			
MEDICAID UNIT COST	$50.30		$50.30			
					-	
MEDICAID TOTAL COST	$11,406,064		$11,380,107		0.00228	-3.43616E-06

Medicaid Impact Conference Issues

January 13, 2012

TOTAL COST	$11,406,064		$11,380,107	($25,957)	
TOTAL GENERAL REVENUE	$4,813,966		$4,803,011	($10,955)	
TOTAL MEDICAL CARE TRUST FUND	$6,575,600		$6,560,636	($14,964)	
TOTAL REFUGEE ASSISTANCE TF	$16,498		$16,460	($38)	
TOTAL TOBACCO SETTLEMENT TF	$0		$0	$0	
TOTAL GRANTS AND DONATIONS TF	$0		$0	$0	

PREPAID HEALTH PLAN

CASELOAD	1,273,904		1,273,904		
UNIT COST	$223.25	$0.08	$223.17		-0.00034777
TOTAL COST	$3,412,777,995		$3,411,591,135		
CASELOAD-MENTAL HEALTH	672,090		672,090		
UNIT COST	$34.19		$34.19		
TOTAL COST	$275,746,383		$275,746,383		
TOTAL COST	$3,688,524,378		$3,687,337,518	($1,186,860)	
TOTAL GENERAL REVENUE	$1,062,265,365		$1,061,851,018	($414,347)	
TOTAL OTHER STATE FUNDS	$0		$0	$0	
TOTAL MEDICAL CARE TRUST FUND	$2,121,018,506		$2,120,250,704	($767,802)	
TOTAL REFUGEE ASSISTANCE TF	$14,640,507		$14,635,796	($4,711)	
TOTAL HEALTH CARE TF	$490,600,000		$490,600,000	$0	
TOTAL GRANTS AND DONATIONS TF	$0		$0	$0	

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #12

Proposal Name:	Nursing Home/Hospice Rate Reduction
Brief Description of Proposal:	Provide the estimated savings by reducing the FY 2012-13 Nursing Home/Hospice rates by 1%. Include impact on Hospice rates.
Proposed State Fiscal Year: 00/00	2012-13
Proposed Start Date: 00/00/0000	07/01/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	($30,431,094)
Bureau(s) Responsible for Administration:	Medicaid Program Analysis

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	Notice of Proposed Rule Development in FAW no later than June 15, 2012
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	Modify the Title XIX Long-Term Care Reimbursement Plan and submit to CMS no later than September 30, 2012.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Begin Rulemaking process with publishing a Notice of Rule Development in FAW when Governor signs the budget. AHCA has 90 days to adopt the rule once we file proposed rule.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Rate reduction from previous rate semesters.
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #12 Cont.**

Lead Analyst:	Steve Russell, Medicaid Program Analysis
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012. NH and Hospice rates reduction of 1% applied.
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	
Total (Savings) Cost of Propos al:	**($30,431,094)**		
General Revenue:	**($12,863,224)**		
Administrative Trust Fund:			
Medical Health Care Trust Fund:	**$17,567,870)**		
Refugee Assistance Trust Fund:			
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #12 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Nursing Home/Hospice Rate Reduction

	1.00%	Annualized
TOTAL COST		($30,431,094)
TOTAL GENERAL REVENUE		($12,863,224)
TOTAL MEDICAL CARE TRUST FUND		($17,567,870)
TOTAL REFUGEE ASSISTANCE TF		$0

NURSING HOMES		1.00%	Reduction
	43,050	43,050	0
SKILLED CARE CASELOAD	10,217	10,217	0
SKILLED CARE UNIT COST	$5,469.19	$5,414.50	($54.69)
SKILLED CARE TOTAL COST	$670,544,624	$663,839,358	($6,705,266)
CROSSOVER CASELOAD	216	216	0
CROSSOVER UNIT COST	$1,867.68	$1,867.68	$0.00
CROSSOVER TOTAL COST	$4,841,027	$4,841,027	$0
INTERMEDIATE CARE CASELOAD	32,145	32,145	0
INTERMEDIATE CARE UNIT COST	$5,475.24	$5,420.49	($54.75)
INTERMEDIATE CARE TOTAL COST	$2,112,020,401	$2,090,899,813	($21,120,588)
GENERAL CARE CASELOAD	472	472	0
GENERAL CARE UNIT COST	$5,330.29	$5,276.99	($53.30)
GENERAL CARE TOTAL COST	$30,190,778	$29,888,871	($301,907)
SPECIAL PAYMENTS TO NURSING HOMES	$11,002,179	$11,002,179	$0

Medicaid Impact Conference Issues

January 13, 2012

TOTAL COST	$2,828,599,009	$2,800,471,248	($28,127,761)
TOTAL GENERAL REVENUE	$510,268,921	$498,379,317	($11,889,604)
TOTAL MEDICAL CARE TRUST FUND	$1,646,450,208	$1,630,212,051	($16,238,157)
TOTAL REFUGEE ASSISTANCE TF	$0	$0	$0
TOTAL TOBACCO SETTLEMENT TF	$270,000,000	$270,000,000	$0
TOTAL GRANTS AND DONATIONS TF	$401,879,880	$401,879,880	$0
HOSPICE			
MEDICAID CASELOAD	10,937	10,937	0
MEDICAID UNIT COST	$2,472.50	$2,454.95	($17.55)
MEDICAID TOTAL COST	$324,500,265	$322,196,932	($2,303,333)
TOTAL COST	$324,500,265	$322,196,932	($2,303,333)
TOTAL GENERAL REVENUE	$78,986,561	$78,012,942	($973,619)
TOTAL MEDICAL CARE TRUST FUND	$187,334,003	$186,004,289	($1,329,714)
TOTAL REFUGEE ASSISTANCE TF	$0	$0	$0
TOTAL TOBACCO SETTLEMENT TF	$42,000,000	$42,000,000	$0
TOTAL GRANTS AND DONATIONS TF	$16,179,701	$16,179,701	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #13

Proposal Name:	Hospital Inpatient Rate Reduction
Brief Description of Proposal:	Provide the estimated savings by reducing the FY 2012-13 Hospital Inpatient rates by 1%. Include impact on HMO rates. Provide a mechanism to calculate the rate freeze.
Proposed State Fiscal Year: 00/00	2012-13
Proposed Start Date: 00/00/0000	07/01/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	($47,652,184) (Children & Rural Hospitals held harmless identified in issue detail below.)
Bureau(s) Responsible for Administration:	Medicaid Program Analysis

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	Notice of Proposed Rule Development in FAW no later than June 15, 2012
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	Modify the Title XIX Inpatient Hospital Reimbursement Plan and submit to CMS no later than September 30, 2012.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Begin Rulemaking process with publishing a Notice of Rule Development in FAW when Governor signs the budget. AHCA has 90 days to adopt the rule once we file proposed rule.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Rate reduction from previous rate semesters.
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #13 Cont.**

Lead Analyst:	Rydell Samuel, Medicaid Program Analysis
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 2012. Institutional Units 1% reduction.
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	01/04/2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($47,652,184)**		**($49,741,386)**
General Revenue:	**($14,048,658)**		**($14,928,210)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($27,711,990)**		**($28,913,348)**
Refugee Assistance Trust Fund:	**($82,915)**		**($91,207)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($5,808,621)**		**($5,808,621)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #13 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Inpatient 1% Rate Reduction (Includes effect on HMO rates)	1.00%	FY1213 reduction	Annual Reduction	With Childrens and Rural Hospitals held Harmless FY1213 reduction	With Childrens and Rural Hospitals held Harmless Annual Reduction
TOTAL COST		($47,652,184)	($49,741,386)	($42,217,526)	($44,068,457)
TOTAL GENERAL REVENUE		($14,048,658)	($14,928,210)	($12,446,430)	($13,225,670)
TOTAL MEDICAL CARE TRUST FUND		($27,711,990)	($28,913,348)	($24,551,480)	($25,615,825)
TOTAL REFUGEE ASSISTANCE TF		($82,915)	($91,207)	($73,459)	($80,805)
TOTAL GRANTS AND DONATIONS TF		($5,808,621)	($5,808,621)	($5,146,157)	($5,146,157)

HOSPITAL INPATIENT SERVICES		1.0%	Reduction
MEDICAID CASELOAD	1,410,063	1,410,063	0
MEDICAID UTILIZATION RATE	2.46%	2.46%	0.00%
MEDICAID ADMISSIONS PER MONTH	34,725	34,725	0
MEDICAID DAYS PER ADMISSION	5.16	5.16	0.00
MEDICAID PER DIEM	$1,729.23	$1,711.94	($17.29)
MEDICAID TOTAL COST	$3,720,617,072	$3,683,410,901	($37,206,171)
AM-SURG CASELOAD	3,185,079	3,185,079	0
AM-SURG UTILIZATION RATE	0.12%	0.12%	0.00%
AM-SURG SERVICES/MONTH	3,800	3,800	0
AM-SURG UNIT COST	$484.91	$484.91	$0.00
AM-SURG TOTAL COST	$22,111,954	$22,111,954	$0
CHILD CASELOAD	1,884,493	1,884,493	0
CHILD UTILIZATION RATE	0.04%	0.04%	0.00%
CHILD SERVICES/MONTH	775	775	0
CHILD UNIT COST	$6,600.31	$6,600.31	$0.00
CHILD TOTAL COST	$61,382,891	$61,382,891	$0

Medicaid Impact Conference Issues

January 13, 2012

SPECIAL PAYMENTS TO HOSPITALS	$0	$0	$0	
DISPROPORTIONATE SHARE	$0	$0	$0	
TOTAL COST	$3,804,111,917	$3,766,905,746	($37,206,171)	
TOTAL GENERAL REVENUE	$597,137,926	$587,487,030	($9,650,896)	
TOTAL MEDICAL CARE TRUST FUND	$2,193,917,106	$2,172,211,904	($21,705,202)	
TOTAL REFUGEE ASSISTANCE TF	$4,238,201	$4,196,749	($41,452)	
TOTAL PUBLIC MEDICAL ASSIST TF	$402,010,000	$402,010,000	$0	
TOTAL GRANTS AND DONATIONS TF	$580,862,136	$575,053,515	($5,808,621)	
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0	
TOTAL OTHER STATE FUNDS	$25,946,548	$25,946,548	$0	
PREPAID HEALTH PLAN				
CASELOAD	1,273,904	1,273,904	0	
UNIT COST	$223.25	$222.43	($0.82)	0.996326976
TOTAL COST	$3,412,777,995	$3,400,242,780	($12,535,215)	
CASELOAD-MENTAL HEALTH	672,090	672,090	0	
UNIT COST	$34.19	$34.19	$0.00	
TOTAL COST	$275,746,383	$275,746,383	$0	
TOTAL COST	$3,688,524,378	$3,675,989,163	($12,535,215)	($10,446,013)
TOTAL GENERAL REVENUE	$1,062,265,365	$1,056,988,051	($5,277,314)	($4,397,762)
TOTAL OTHER STATE FUNDS	$0	$0	$0	$0
TOTAL MEDICAL CARE TRUST FUND	$2,121,018,506	$2,113,810,360	($7,208,146)	($6,006,788)
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,590,752	($49,755)	($41,463)
TOTAL TOBACCO SETTLEMENT TF	$490,600,000	$490,600,000	$0	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #14

Proposal Name:	Outpatient Hospital Rate Reduction
Brief Description of Proposal:	Provide the estimated savings by reducing the FY 2012-13 Hospital Outpatient rates by 1%. Include impact on HMO rates.
Proposed State Fiscal Year: 00/00	2012-13
Proposed Start Date: 00/00/0000	07/01/2012
If not July 1, start date; please explain.	($13,583,510) (Children & Rural Hospitals held harmless identified in issue detail below.)
Total Cost/(Savings)/{Revenue}:	(Children & Rural Hospitals held harmless identified in issue detail below.)
Bureau(s) Responsible for Administration:	Medicaid Program Analysis

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	Notice of Proposed Rule Development in FAW no later than June 15, 2012
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	Modify the Title XIX Outpatient Hospital Reimbursement Plan and submit to CMS no later than September 30, 2012.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Begin Rulemaking process with publishing a Notice of Rule Development in FAW when Governor signs the budget. AHCA has 90 days to adopt the rule once we file proposed rule.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Rate reduction from previous rate semesters.
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #14 Cont.**

Lead Analyst:	Rydell Samuel, Medicaid Program Analysis
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 2012. Institutional Units 1% reduction.
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($13,583,510)**		**($14,279,410)**
General Revenue:	**($3,971,058)**		**($4,264,048)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($7,854,574)**		**($8,254,722)**
Refugee Assistance Trust Fund:	**($28,675)**		**($31,437)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($1,729,203)**		**($1,729,203)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #14 Cont**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Outpatient 1% Rate Reduction (Includes effect on HMO rate)	1.00%	FY1213 reduction	Annual Reduction	With Childrens and Rural Hospitals held Harmless FY1213 reduction	With Childrens and Rural Hospitals held Harmless Annual Reduction
TOTAL COST		($13,583,510)	($14,279,410)	($11,702,900)	($12,302,454)
TOTAL GENERAL REVENUE		($3,971,058)	($4,264,048)	($3,421,273)	($3,673,699)
TOTAL MEDICAL CARE TRUST FUND		($7,854,574)	($8,254,722)	($6,767,124)	($7,111,872)
TOTAL REFUGEE ASSISTANCE TF		($28,675)	($31,437)	($24,705)	($27,085)
TOTAL GRANTS AND DONATIONS TF		($1,729,203)	($1,729,203)	($1,489,798)	($1,489,798)

HOSPITAL OUTPATIENT SERVICES		1%		
MEDICAID CASELOAD	1,410,063	1,410,063		
MEDICAID UTILIZATION RATE	77.26%	77.26%		
MEDICAID SERVICES PER MONTH	1,089,447	1,089,447		
MEDICAID UNIT COST	$77.29	$76.51	($1)	
MEDICAID TOTAL COST	$1,010,401,204	$1,000,297,192	($10,104,012)	
CROSSOVER CASELOAD	501,109	501,109		
CROSSOVER UTILIZATION RATE	16.46%	16.46%		
CROSSOVER SERVICES/MONTH	82,469	82,469		
CROSSOVER UNIT COST	$149.65	$149.65		
CROSSOVER TOTAL COST	$148,099,105	$148,099,105		
SPECIAL PAYMENTS	$0	$0		
TOTAL COST	$1,158,500,309	$1,148,396,297	($10,104,012)	($10,104,012)
TOTAL GENERAL REVENUE	$211,028,014	$208,521,901	($2,506,113)	($2,506,113)
TOTAL MEDICAL CARE TRUST FUND	$667,847,728	$661,993,896	($5,853,832)	($5,853,832)
TOTAL REFUGEE ASSISTANCE TF	$1,704,256	$1,689,392	($14,864)	($14,864)
TOTAL PUBLIC MEDICAL ASSIST TF	$105,000,000	$105,000,000	$0	$0
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

TOTAL GRANTS AND DONATIONS TF	$172,920,311	$171,191,108	($1,729,203)	($1,729,203)
PREPAID HEALTH PLAN				
CASELOAD	1,273,904	1,273,904		
UNIT COST	$223.25	$222.98	($0.27)	
TOTAL COST	$3,412,777,995	$3,408,602,597		
CASELOAD-MENTAL HEALTH	672,090	672,090		
UNIT COST	$34.19	$34.19		
TOTAL COST	$275,746,383	$275,746,383		
TOTAL COST	$3,688,524,378	$3,684,348,980	($4,175,398)	($3,479,498)
TOTAL GENERAL REVENUE	$1,062,265,365	$1,060,507,526	($1,757,935)	($1,464,945)
TOTAL OTHER STATE FUNDS	$0	$0	$0	$0
TOTAL MEDICAL CARE TRUST FUND	$2,121,018,506	$2,118,617,520	($2,400,890)	($2,000,742)
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,623,934	($16,573)	($13,811)
TOTAL TOBACCO SETTLEMENT TF	$490,600,000	$490,600,000	$0	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #15

Proposal Name:	County Health Department Rate Reduction
Brief Description of Proposal:	Provide the estimated savings by reducing the FY 2012-13 CHD rates by 1%. Include impact on HMO rates. Provide a mechanism to calculate the reduction
Proposed State Fiscal Year: 00/00	2012-13
Proposed Start Date: 00/00/0000	07/01/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	($1,826,677)
Bureau(s) Responsible for Administration:	Medicaid Program Analysis

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	Notice of Proposed Rule Development in FAW no later than June 15, 2012
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	Modify the Title XIX CHD Reimbursement Plan and submit to CMS no later than September 30, 2012.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Begin Rulemaking process with publishing a Notice of Rule Development in FAW when Governor signs the budget. AHCA has 90 days to adopt the rule once we file proposed rule.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Rate reduction from previous rate semesters.
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #15 Cont.**

Lead Analyst:	Rydell Samuel, Medicaid Program Analysis
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 2012. Institutional Units 1% reduction.
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	01/04/2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($1,826,677)**		**($1,930,551)**
General Revenue:	**($768,319)**		**($812,050)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($1,049,357)**		**($1,109,088)**
Refugee Assistance Trust Fund:	**($9,001)**		**($9,413)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #15 Cont**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Reduce CHD Rates
Includes effect on HMO rates

	1.00%	12/13 REDUCTION	ANNUAL REDUCTION
TOTAL COST		($1,826,677)	($1,930,551)
TOTAL GENERAL REVENUE		($768,319)	($812,050)
TOTAL MEDICAL CARE TRUST FUND		($1,049,357)	($1,109,088)
TOTAL REFUGEE ASSISTANCE TF		($9,001)	($9,413)

CLINIC SERVICES

		1.00%	Reduction	
MEDICAID CASELOAD	1,410,063	1,410,063	0	
MEDICAID UTILIZATION RATE	5.02%	5.02%	0.00%	
MEDICAID SERVICES PER MONTH	70,747	70,747	0	
MEDICAID UNIT COST	$153.99	$152.45	($1.54)	0.99
MEDICAID TOTAL COST	$130,730,794	$129,423,486	($1,307,308)	
TOTAL COST	$130,730,794	$129,423,486	($1,307,308)	
TOTAL GENERAL REVENUE	$43,301,674	$42,752,009	($549,665)	
TOTAL OTHER STATE FUNDS	$0	$0	$0	
TOTAL MEDICAL CARE TRUST FUND	$75,070,306	$74,319,602	($750,704)	
TOTAL REFUGEE ASSISTANCE TF	$693,889	$686,950	($6,939)	
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0	
TOTAL GRANTS AND DONATIONS TF	$11,664,925	$11,664,925	$0	
	$0	$0		

Medicaid Impact Conference Issues

January 13, 2012

PREPAID HEALTH PLAN

CASELOAD	1,273,904	1,273,904	0	
UNIT COST	$223.25	$223.21	($0.041)	0.999817379
TOTAL COST	$3,412,777,995	$3,412,154,752	($623,243)	
CASELOAD-MENTAL HEALTH	672,090	672,090	0	
UNIT COST	$34.19	$34.19	$0.00	
TOTAL COST	$275,746,383	$275,746,383	$0	
TOTAL COST	$3,688,524,378	$3,687,901,135	($623,243)	($519,369)
TOTAL GENERAL REVENUE	$1,062,265,365	$1,062,002,980	($262,385)	($218,654)
TOTAL OTHER STATE FUNDS	$0	$0	$0	$0
TOTAL MEDICAL CARE TRUST FUND	$2,121,018,506	$2,120,660,122	($358,384)	($298,653)
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,638,033	($2,474)	($2,062)
TOTAL HEALTH CARE TF	$490,600,000	$490,600,000	$0	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #16

Proposal Name:	ICF/DD Rate Reduction
Brief Description of Proposal:	Provide the estimated savings by reducing the FY 2012-13 ICF/DD rates by 1%. Provide a mechanism to calculate the reduction.
Proposed State Fiscal Year: 00/00	2012-13
Proposed Start Date: 00/00/0000	10/01/2011
If not July 1, start date; please explain.	Rate setting period is October 1.
Total Cost/(Savings)/{Revenue}:	($1,904,023)
Bureau(s) Responsible for Administration:	Medicaid Program Analysis

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	Notice of Proposed Rule Development in FAW no later than June 15, 2012
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	Modify the Title XIX ICF/DD Reimbursement Plan and submit to CMS no later than September 30, 2012.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Begin Rulemaking process with publishing a Notice of Rule Development in FAW when Governor signs the budget. AHCA has 90 days to adopt the rule once we file proposed rule.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Rate reduction from previous rate semesters.
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #16 Cont.**

Lead Analyst:	Rydell Samuel, Medicaid Program Analysis
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 2012. Institutional Units cost 1% reduction.
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	01/04/2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**9**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($1,904,023)**		**($2,538,697)**
General Revenue:	**($804,830)**		**($1,073,107)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($1,099,193)**		**($1,465,590)**
Refugee Assistance Trust Fund:	**($0)**		**($0)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #16 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

This item may have implications for ongoing litigation.

ICF/DD 1% RATE REDUCTION	1.00%	3 MONTH LAPSE	Annual Reduction
TOTAL COST		($1,904,023)	($2,538,697)
TOTAL GENERAL REVENUE		($804,830)	($1,073,107)
TOTAL MEDICAL CARE TRUST FUND		($1,099,193)	($1,465,590)

ICF-MR COMMUNITY		1.0%	Reduction	Start 10/1/12
	2,029			
CASELOAD PRIVATE	1,179	1,179	0	
UNIT COST	$9,226.90	$9,134.64	($92.26)	
TOTAL COST	$130,542,240	$129,236,887	($1,305,353)	
CASELOAD CLUSTER	624	624	0	
UNIT COST	$13,365.62	$13,231.96	($133.66)	
TOTAL COST	$100,081,736	$99,080,916	($1,000,820)	
CASELOAD SIXBED	226	226	0	
UNIT COST	$8,573.82	$8,488.08	($85.74)	
TOTAL COST	$23,252,197	$23,019,673	($232,524)	
TOTAL COST	$253,876,173	$251,337,476	($2,538,697)	($1,904,023)
TOTAL GENERAL REVENUE	$93,120,799	$92,047,692	($1,073,107)	($804,830)
TOTAL MEDICAL CARE TRUST FUND	$146,562,715	$145,097,125	($1,465,590)	($1,099,193)
TOTAL REFUGEE ASSISTANCE TF	$0	$0	$0	$0
TOTAL TOBACCO SETTLEMENT TF	$14,192,659	$14,192,659	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #17

Proposal Name:	Private Duty Nursing Rate Reduction
Brief Description of Proposal:	Estimated savings from a 1% reduction in service reimbursement rates
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	August 1, 2012
If not July 1, start date; please explain.	Administrative rule changes and FMMIS procedure code rate revisions
Total Cost/(Savings)/{Revenue}:	($1,671,034)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days • Update FMMIS • Rule update
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	6-9 months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #17 Cont.**

Lead Analyst:	N/A
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($1,671,034)**		**($1,822,946)**
General Revenue:	**($706,346)**		**($770,559)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($964,688)**		**($1,052,387)**
Refugee Assistance Trust Fund:	**($0)**		**($0)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #17 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Private Duty Nursing Rate Reduction

	1%	Start 8/1/2012
TOTAL COST	($1,822,946)	($1,671,034)
TOTAL GENERAL REVENUE	($770,559)	($706,346)
TOTAL MEDICAL CARE TRUST FUND	($1,052,387)	($964,688)

PRIVATE DUTY NURSING SERV

		1%	
MEDICAID CASELOAD	1,884,493	1,884,493	
MEDICAID UTILIZATION RATE	4.12%	4.12%	
MEDICAID SERVICES PER MONTH	77,673	77,673	
MEDICAID UNIT COST	$195.58	$193.62	
MEDICAID TOTAL COST	$182,294,638	$180,471,692	
TOTAL COST	$182,294,638	$180,471,692	($1,822,946)
TOTAL GENERAL REVENUE	$77,055,943	$76,285,384	($770,559)
TOTAL MEDICAL CARE TRUST FUND	$105,238,695	$104,186,308	($1,052,387)
TOTAL REFUGEE ASSISTANCE TF	$0	$0	$0
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #18

Proposal Name:	Physician Services Rate Reduction
Brief Description of Proposal:	Estimated savings from a 1% reduction in service reimbursement rates
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	August 1, 2012
If not July 1, start date; please explain.	Administrative rule changes and FMMIS procedure code rate revisions
Total Cost/(Savings)/{Revenue}:	($10,886,733)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days • Update FMMIS • Rule update
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	6-9 months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #18 Cont.**

Lead Analyst:	N/A
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($10,886,733)**		**($11,874,279)**
General Revenue:	**($4,524,376)**		**($4,934,775)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($6,335,993)**		**($6,910,752)**
Refugee Assistance Trust Fund:	**($26,364)**		**($28,752)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #18 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

This item may have implications for ongoing litigation.

Physician Services Rate Reduction

Total	1%	Start 8/1/2012
TOTAL COST	($11,874,279)	($10,886,733)
TOTAL GENERAL REVENUE	($4,934,775)	($4,524,376)
TOTAL MEDICAL CARE TRUST FUND	($6,910,752)	($6,335,993)
TOTAL REFUGEE ASSISTANCE TF	($28,752)	($26,364)

PHYSICIAN SERVICES

TOTAL COST	($11,441,108)	($10,487,682)
TOTAL GENERAL REVENUE	($4,823,865)	($4,421,876)
TOTAL MEDICAL CARE TRUST FUND	($6,589,164)	($6,040,067)
TOTAL REFUGEE ASSISTANCE TF	($28,079)	($25,739)

FAMILY PLANNING SERVICES

TOTAL COST	($223,228)	($204,626)
TOTAL GENERAL REVENUE	($22,281)	($20,424)
TOTAL MEDICAL CARE TRUST FUND	($200,533)	($183,822)
TOTAL REFUGEE ASSISTANCE TF	($414)	($380)

Medicaid Impact Conference Issues

January 13, 2012

NURSE PRACTITIONER SERVICES

TOTAL COST	($72,155)	($66,142)
TOTAL GENERAL REVENUE	($30,500)	($27,958)
TOTAL MEDICAL CARE TRUST FUND	($41,655)	($38,184)
TOTAL REFUGEE ASSISTANCE TF	$0	$0

PHYSICIAN ASSISTANT SERVICES

TOTAL COST	($114,061)	($104,556)
TOTAL GENERAL REVENUE	($48,140)	($44,129)
TOTAL MEDICAL CARE TRUST FUND	($65,756)	($60,276)
TOTAL REFUGEE ASSISTANCE TF	($165)	($151)

PREPAID HEALTH PLAN

TOTAL COST	($23,727)	($23,727)
TOTAL GENERAL REVENUE	($9,989)	($9,989)
TOTAL MEDICAL CARE TRUST FUND	($13,644)	($13,644)
TOTAL REFUGEE ASSISTANCE TF	($94)	($94)

PHYSICIAN SERVICES

		1%		
MEDICAID CASELOAD	1,410,063	1,410,063		
MEDICAID UTILIZATION RATE	158.80%	158.80%		
MEDICAID SERVICES/MONTH	2,239,146	2,239,146		
MEDICAID UNIT COST	$39.92	$39.52		
MEDICAID TOTAL COST	$1,072,750,329	$1,062,022,826	-0.01	-0.001505979
CROSSOVER CASELOAD	501,109	501,109		
CROSSOVER UTILIZATION RATE	27.29%	27.29%		

CROSSOVER SERVICES/MONTH	136,752	136,752		
CROSSOVER UNIT COST	$43.49	$43.05		
CROSSOVER COST	$71,360,525	$70,646,920		
PHYSICIAN UPL	$120,000,000	$120,000,000		
TOTAL COST	$1,264,110,854	$1,252,669,746	($11,441,108)	
TOTAL GENERAL REVENUE	$343,376,426	$338,552,561	($4,823,865)	
TOTAL MEDICAL CARE TRUST FUND	$778,916,404	$772,327,240	($6,589,164)	
TOTAL REFUGEE ASSISTANCE TF	$2,807,870	$2,779,791	($28,079)	
TOTAL PUBLIC MEDICAL ASSIST TF	$60,800,000	$60,800,000	$0	
TOTAL HEALTH CARE TF	$19,200,000	$19,200,000	$0	
TOTAL TOBACCO SETTLEMENT TF	$58,738,330	$58,738,330	$0	
TOTAL GRANTS AND DONATIONS TF	$271,824	$271,824	$0	

FAMILY PLANNING SERVICES

MEDICAID CASELOAD	412,642	412,642		
MEDICAID UTILIZATION RATE	10.29%	10.29%		
MEDICAID SERVICES PER MONTH	42,464	42,464		
MEDICAID UNIT COST	$43.81	$43.37		
MEDICAID TOTAL COST	$22,322,770	$22,099,542	-0.010000013	-2.61427E-05
TOTAL COST	$22,322,770	$22,099,542	($223,228)	
TOTAL GENERAL REVENUE	$2,228,134	$2,205,853	($22,281)	
TOTAL MEDICAL CARE TRUST FUND	$20,053,201	$19,852,668	($200,533)	
TOTAL REFUGEE ASSISTANCE TF	$41,435	$41,021	($414)	
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0	
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0	

Medicaid Impact Conference Issues

January 13, 2012

NURSE PRACTITIONER SERVICES

MEDICAID CASELOAD	3,185,079	3,185,079		
MEDICAID UTILIZATION RATE	0.34%	0.34%		
MEDICAID SERVICES PER MONTH	10,888	10,888		
MEDICAID UNIT COST	$46.20	$45.74		
MEDICAID TOTAL COST	$6,036,123	$5,975,762	-0.009999962	-4.88541E-06
CROSSOVER CASELOAD	551,914	551,914		
CROSSOVER UTILIZATION RATE	0.78%	0.78%		
CROSSOVER SERVICES/MONTH	4,279	4,279		
CROSSOVER UNIT COST	$22.97	$22.74		
CROSSOVER COST	$1,179,382	$1,167,588		
TOTAL COST	$7,215,505	$7,143,350	($72,155)	
TOTAL GENERAL REVENUE	$3,049,991	$3,019,491	($30,500)	
TOTAL MEDICAL CARE TRUST FUND	$4,165,514	$4,123,859	($41,655)	
TOTAL REFUGEE ASSISTANCE TF	$0	$0	$0	
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0	
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0	

PHYSICIAN ASSISTANT SERVICES

MEDICAID CASELOAD	1,410,063	1,410,063		
MEDICAID UTILIZATION RATE	1.34%	1.34%		
MEDICAID SERVICES PER MONTH	18,895	18,895		
MEDICAID UNIT COST	$50.30	$49.80		
MEDICAID TOTAL COST	$11,406,064	$11,292,003	-0.010000032	-1.50993E-05

TOTAL COST	$11,406,064	$11,292,003	($114,061)
TOTAL GENERAL REVENUE	$4,813,966	$4,765,826	($48,140)
TOTAL MEDICAL CARE TRUST FUND	$6,575,600	$6,509,844	($65,756)
TOTAL REFUGEE ASSISTANCE TF	$16,498	$16,333	($165)
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

PREPAID HEALTH PLAN

CASELOAD	1,273,904	1,273,904	-
UNIT COST	$223.25	$223.25	0.001552106
TOTAL COST	$3,412,777,995	$3,412,754,268	
CASELOAD-MENTAL HEALTH	672,090	672,090	
UNIT COST	$34.19	$34.19	
TOTAL COST	$275,746,383	$275,746,383	
TOTAL COST	$3,688,524,378	$3,688,500,651	($23,727)
TOTAL GENERAL REVENUE	$1,062,265,365	$1,062,255,376	($9,989)
TOTAL OTHER STATE FUNDS	$0	$0	$0
TOTAL MEDICAL CARE TF	$2,121,018,506	$2,121,004,862	($13,644)
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,640,413	($94)
TOTAL HEALTH CARE TF	$490,600,000	$490,600,000	$0
TOTAL GRANTS & DONATIONS TF	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #19

Proposal Name:	EPSDT (Child Health Check-Up) Rate Reduction
Brief Description of Proposal:	Estimated savings from a 1% reduction in service reimbursement rates
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	August 1, 2012
If not July 1, start date; please explain.	Administrative rule changes and FMMIS procedure code rate revisions
Total Cost/(Savings)/{Revenue}:	($691,880)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days • Update FMMIS • Rule update
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	6-9 months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #19 Cont.**

Lead Analyst:	N/A
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($691,880)**		**($754,538)**
General Revenue:	**($292,760)**		**($318,610)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($399,110)**		**($435,254)**
Refugee Assistance Trust Fund:	**($619)**		**($674)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #19 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

This item may have implications for ongoing litigation.
This reduction is for the CHCUP – the screenings only and not the entire EPSDT.

Early Periodic Screening for Children Rate Reduction

	1%	Start 8/1/2012
Total		
TOTAL COST	($754,538)	($691,880)
TOTAL GENERAL REVENUE	($318,610)	($292,760)
TOTAL MEDICAL CARE TRUST FUND	($435,254)	($399,110)
TOTAL REFUGEE ASSISTANCE TF	($674)	($619)
EPSDT		
TOTAL COST	($751,894)	($689,236)
TOTAL GENERAL REVENUE	($317,497)	($291,647)
TOTAL MEDICAL CARE TRUST FUND	($433,733)	($397,589)
TOTAL REFUGEE ASSISTANCE TF	($664)	($609)
PREPAID HEALTH PLAN		
TOTAL COST	($2,644)	($2,644)
TOTAL GENERAL REVENUE	($1,113)	($1,113)
TOTAL MEDICAL CARE TRUST FUND	($1,521)	($1,521)
TOTAL REFUGEE ASSISTANCE TF	($10)	($10)

Medicaid Impact Conference Issues

January 13, 2012

EPSDT		1%		
SCREENING CASELOAD	961,841	961,841		
SCREENING UTILIZATION RATE	8.57%	8.57%		
SCREENING SERVICES PER MONTH	82,408	82,408		
SCREENING UNIT COST	$76.03	$75.27		
SCREENING TOTAL COST	$75,189,364	$74,437,470	-0.010000005	-0.000172988
DENTAL CASELOAD	961,841	961,841		
DENTAL UTILIZATION RATE	58.15%	58.15%		
DENTAL SERVICES PER MONTH	559,308	559,308		
DENTAL UNIT COST	$26.87	$26.87		
DENTAL TOTAL COST	$180,349,021	$180,349,021		
VISUAL SERVICES CASELOAD	961,841	961,841		
VISUAL SERVICES UTILIZATION RATE	5.85%	5.85%		
VISUAL SERVICES PER MONTH	56,293	56,293		
VISUAL SERVICES UNIT COST	$22.67	$22.67		
VISUAL SERVICES TOTAL COST	$15,312,580	$15,312,580		
		$0		
		$0		
HEARING SERVICES CASELOAD	961,841	961,841		
HEARING SERVICES UTILIZATION RATE	0.41%	0.41%		
HEARING SERVICES PER MONTH	3,973	3,973		
HEARING SERVICES UNIT COST	$56.33	$56.33		
HEARING SERVICES TOTAL COST	$2,685,426	$2,685,426		
TOTAL COST	$273,536,391	$272,784,497	($751,894)	
TOTAL GENERAL REVENUE	$115,504,341	$115,186,844	($317,497)	
TOTAL MEDICAL CARE TRUST FUND	$157,790,533	$157,356,800	($433,733)	
TOTAL REFUGEE ASSISTANCE TF	$241,517	$240,853	($664)	
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0	
TOTAL GRANTS AND DONATIONS	$0	$0	$0	

Medicaid Impact Conference Issues

January 13, 2012

PREPAID HEALTH PLAN

CASELOAD	1,273,904	1,273,904	
UNIT COST	$223.25	$223.25	-0.000172988
TOTAL COST	$3,412,777,995	$3,412,775,351	
CASELOAD-MENTAL HEALTH	672,090	672,090	
UNIT COST	$34.19	$34.19	
TOTAL COST	$275,746,383	$275,746,383	
TOTAL COST	$3,688,524,378	$3,688,521,734	($2,644)
TOTAL GENERAL REVENUE	$1,062,265,365	$1,062,264,252	($1,113)
TOTAL OTHER STATE FUNDS	$0	$0	$0
TOTAL MEDICAL CARE TF	$2,121,018,506	$2,121,016,985	($1,521)
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,640,497	($10)
TOTAL HEALTH CARE TF	$490,600,000	$490,600,000	$0
TOTAL GRANTS & DONATIONS TF	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #20

Proposal Name:	Home Health Visits Rate Reduction
Brief Description of Proposal:	Estimated savings from a 1% reduction in service reimbursement rates
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	August 1, 2012
If not July 1, start date; please explain.	Administrative rule changes and FMMIS procedure code rate revisions
Total Cost/(Savings)/{Revenue}:	($311,793)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days • Update FMMIS • Rule update
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	6-9 months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #20 Cont.**

Lead Analyst:	N/A
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($311,793)**		**($340,095)**
General Revenue:	**($131,688)**		**($143,641)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($179,884)**		**($196,213)**
Refugee Assistance Trust Fund:	**($221)**		**($241)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #20 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Home Health Rate Reduction

Total	1%	Start 8/1/2012
TOTAL COST	($340,095)	($311,793)
TOTAL GENERAL REVENUE	($143,641)	($131,688)
TOTAL MEDICAL CARE TRUST FUND	($196,213)	($179,884)
TOTAL REFUGEE ASSISTANCE TF	($241)	($221)
HOME HEALTH SERVICES		
TOTAL COST	($339,628)	($311,326)
TOTAL GENERAL REVENUE	($143,444)	($131,491)
TOTAL MEDICAL CARE TRUST FUND	($195,945)	($179,616)
TOTAL REFUGEE ASSISTANCE TF	($239)	($219)
PREPAID HEALTH PLAN		
TOTAL COST	($467)	($467)
TOTAL GENERAL REVENUE	($197)	($197)
TOTAL MEDICAL CARE TRUST FUND	($268)	($268)
TOTAL REFUGEE ASSISTANCE TF	($2)	($2)

HOME HEALTH SERVICES		1%
MEDICAID CASELOAD	1,410,063	1,410,063
MEDICAID UTILIZATION RATE	14.05%	14.05%
MEDICAID SERVICES PER MONTH	198,129	198,129
MEDICAID UNIT COST	$71.63	$70.92

Medicaid Impact Conference Issues

January 13, 2012

MEDICAID TOTAL COST	$170,308,938	$169,969,310	($339,628)	-0.001994188	-3.1E-05
CROSSOVER CASELOAD	501,109	501,109			
CROSSOVER UTILIZATION RATE	8.86%	8.86%			
CROSSOVER SERVICES/MONTH	44,421	44,421			
CROSSOVER UNIT COST	$35.18	$35.18			
CROSSOVER TOTAL COST	$18,755,210	$18,755,210			
TOTAL COST	$189,064,148	$188,724,520	($339,628)		
TOTAL GENERAL REVENUE	$79,852,291	$79,708,847	($143,444)		
TOTAL MEDICAL CARE TRUST FUND	$109,078,753	$108,882,808	($195,945)		
TOTAL REFUGEE ASSISTANCE TF	$133,104	$132,865	($239)		
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0		
TOTAL GRANTS AND DONATIONS	$0	$0	$0		

PREPAID HEALTH PLAN

CASELOAD	1,273,904	1,273,904		
UNIT COST	$223.25	$223.25	-3.05816E-05	
TOTAL COST	$3,412,777,995	$3,412,777,528		
CASELOAD-MENTAL HEALTH	672,090	672,090		
UNIT COST	$34.19	$34.19		
TOTAL COST	$275,746,383	$275,746,383		
TOTAL COST	$3,688,524,378	$3,688,523,911	($467)	
TOTAL GENERAL REVENUE	$1,062,265,365	$1,062,265,168	($197)	
TOTAL OTHER STATE FUNDS	$0	$0	$0	
TOTAL MEDICAL CARE TRUST FUND	$2,121,018,506	$2,121,018,238	($268)	
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,640,505	($2)	
TOTAL HEALTH CARE TF	$490,600,000	$490,600,000	$0	
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0	

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #21

Proposal Name:	Transportation (Non-Emergency) Contract Reduction
Brief Description of Proposal:	Estimated savings from a 1% reduction in contract amount.
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	October 1, 2012
If not July 1, start date; please explain.	Administrative rule changes and contract amendment
Total Cost/(Savings)/{Revenue}:	($457,887)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days • Rule update
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	It will require an amendment to the Commission for the Transportation Disadvantaged contract.
V. Will this proposal require an administrative rule?	Yes	6-9 months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #21 Cont.**

Lead Analyst:	N/A
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**9**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($457,887)**		**($610,516)**
General Revenue:	**($193,548)**		**($258,064)**
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**($264,339)**		**($352,452)**
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #21 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

It will require an amendment to the Commission for the Transportation Disadvantaged contract.

Non-Emergency Transportation 1% Contract Reduction

	1% Annualized	3 Month Lapse
TOTAL COST	($610,516)	($457,887)
TOTAL GENERAL REVENUE	($258,064)	($193,548)
TOTAL MEDICAL CARE TRUST FUND	($352,452)	($264,339)

PATIENT TRANSPORTATION

		1%	
MEDICAID CASELOAD	1,911,173	1,911,173	
MEDICAID UTILIZATION RATE	8.59%	8.59%	
MEDICAID SERVICES PER MONTH	164,200	164,200	
MEDICAID UNIT COST	$29.57	$29.57	
MEDICAID TOTAL COST	$58,256,799	$58,256,799	$0
CONTRACT CASELOAD	2,977,419	2,977,419	
CONTRACT UTILIZATION RATE	100.00%	100.00%	
CONTRACT SERVICES/MONTH	2,977,419	2,977,419	
CONTRACT UNIT COST	$1.71	$1.69	
CONTRACT TOTAL COST	$61,051,633	$60,441,117	($610,516)
CROSSOVER CASELOAD	501,109	501,109	
CROSSOVER UTILIZATION RATE	9.07%	9.07%	
CROSSOVER SERVICES/MONTH	45,459	45,459	
CROSSOVER UNIT COST	$43.85	$43.85	
CROSSOVER TOTAL COST	$23,918,198	$23,918,198	$0

Medicaid Impact Conference Issues

January 13, 2012

TOTAL COST	$143,226,630	$142,616,114	($610,516)
TOTAL GENERAL REVENUE	$60,529,149	$60,271,085	($258,064)
TOTAL MEDICAL CARE TRUST FUND	$82,667,326	$82,314,874	($352,452)
TOTAL REFUGEE ASSISTANCE TF	$30,155	$30,155	$0
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #22

Proposal Name:	Lab and X-Ray Rate Reduction
Brief Description of Proposal:	Estimated savings from a 1% reduction in service reimbursement rates
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	August 1, 2012
If not July 1, start date; please explain.	Administrative rule changes and FMMIS procedure code rate revisions
Total Cost/(Savings)/{Revenue}:	($990,632)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days • Update FMMIS • Rule update
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	6-9 months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #22 Cont.**

Lead Analyst:	N/A
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($990,632)**		**($1,080,557)**
General Revenue:	**($416,380)**		**($454,177)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($568,692)**		**($620,315)**
Refugee Assistance Trust Fund:	**($5,560)**		**($6,065)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #22 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Lab and X-Ray Services Rate Reduction

Total	1%	Start 8/1/2012
TOTAL COST	($1,080,557)	($990,632)
TOTAL GENERAL REVENUE	($454,177)	($416,380)
TOTAL MEDICAL CARE TRUST FUND	($620,315)	($568,692)
TOTAL REFUGEE ASSISTANCE TF	($6,065)	($5,560)
OTHER LAB AND X-RAY		
TOTAL COST	($1,079,098)	($989,173)
TOTAL GENERAL REVENUE	($453,563)	($415,766)
TOTAL MEDICAL CARE TRUST FUND	($619,476)	($567,853)
TOTAL REFUGEE ASSISTANCE TF	($6,059)	($5,554)
PREPAID HEALTH PLAN		
TOTAL COST	($1,459)	($1,459)
TOTAL GENERAL REVENUE	($614)	($614)
TOTAL MEDICAL CARE TRUST FUND	($839)	($839)
TOTAL REFUGEE ASSISTANCE TF	($6)	($6)

OTHER LAB AND X-RAY		1%		
MEDICAID CASELOAD	1,410,063	1,410,063		
MEDICAID UTILIZATION RATE	40.72%	40.72%		
MEDICAID SERVICES PER MONTH	574,208	574,208		
MEDICAID UNIT COST	$15.26	$15.10		
MEDICAID TOTAL COST	$105,127,241	$104,075,969	-0.009999996	-9.54368E-05

CROSSOVER CASELOAD	501,109	501,109	
CROSSOVER UTILIZATION RATE	4.70%	4.70%	
CROSSOVER SERVICES/MONTH	23,572	23,572	
CROSSOVER UNIT COST	$9.84	$9.74	
CROSSOVER TOTAL COST	$2,782,559	$2,754,733	
TOTAL COST	$107,909,800	$106,830,702	($1,079,098)
TOTAL GENERAL REVENUE	$45,356,292	$44,902,729	($453,563)
TOTAL MEDICAL CARE TRUST FUND	$61,947,618	$61,328,142	($619,476)
TOTAL REFUGEE ASSISTANCE TF	$605,890	$599,831	($6,059)
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

PREPAID HEALTH PLAN

CASELOAD	1,273,904	1,273,904	
UNIT COST	$223.25	$223.25	-9.54368E-05
TOTAL COST	$3,412,777,995	$3,412,776,536	
CASELOAD-MENTAL HEALTH	672,090	672,090	
UNIT COST	$34.19	$34.19	
TOTAL COST	$275,746,383	$275,746,383	
TOTAL COST	$3,688,524,378	$3,688,522,919	($1,459)
TOTAL GENERAL REVENUE	$1,062,265,365	$1,062,264,751	($614)
TOTAL OTHER STATE FUNDS	$0	$0	$0
TOTAL MEDICAL CARE TRUST FUND	$2,121,018,506	$2,121,017,667	($839)
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,640,501	($6)
TOTAL HEALTH CARE TF	$490,600,000	$490,600,000	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #23

Proposal Name:	Speech Therapy Rate Reduction
Brief Description of Proposal:	Estimated savings from a 1% reduction in service reimbursement rates
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	August 1, 2012
If not July 1, start date; please explain.	Administrative rule changes and FMMIS procedure code rate revisions
Total Cost/(Savings)/{Revenue}:	($498,191)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days • Update FMMIS • Rule update
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	6-9 months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #23 Cont.**

Lead Analyst:	N/A
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($498,191)**		**($543,364)**
General Revenue:	**($210,566)**		**($229,659)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($287,598)**		**($313,676)**
Refugee Assistance Trust Fund:	**($27)**		**($29)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #23 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Speech Therapy Rate Reduction

Total	1%	Start 8/1/2012
TOTAL COST	($543,364)	($498,191)
TOTAL GENERAL REVENUE	($229,659)	($210,566)
TOTAL MEDICAL CARE TRUST FUND	($313,676)	($287,598)
TOTAL REFUGEE ASSISTANCE TF	($29)	($27)

SPEECH THERAPY SERVICES

TOTAL COST	($542,081)	($496,908)
TOTAL GENERAL REVENUE	($229,119)	($210,026)
TOTAL MEDICAL CARE TRUST FUND	($312,938)	($286,860)
TOTAL REFUGEE ASSISTANCE TF	($24)	($22)

PREPAID HEALTH PLAN

TOTAL COST	($1,283)	($1,283)
TOTAL GENERAL REVENUE	($540)	($540)
TOTAL MEDICAL CARE TRUST FUND	($738)	($738)
TOTAL REFUGEE ASSISTANCE TF	($5)	($5)

SPEECH THERAPY SERVICES

		1%		
MEDICAID CASELOAD	961,841	961,841		
MEDICAID UTILIZATION RATE	8.94%	8.94%		
MEDICAID SERVICES PER MONTH	85,953	85,953		
MEDICAID UNIT COST	$52.56	$52.03		
MEDICAID TOTAL COST	$54,208,127	$53,666,046	-0.009999995	-8.39337E-05

TOTAL COST	$54,208,127	$53,666,046	($542,081)
TOTAL GENERAL REVENUE	$22,911,934	$22,682,815	($229,119)
TOTAL MEDICAL CARE TRUST FUND	$31,293,749	$30,980,811	($312,938)
TOTAL REFUGEE ASSISTANCE TF	$2,444	$2,420	($24)
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

PREPAID HEALTH PLAN

CASELOAD	1,273,904	1,273,904	
UNIT COST	$223.25	$223.25	-8.39337E-05
TOTAL COST	$3,412,777,995	$3,412,776,712	
CASELOAD-MENTAL HEALTH	672,090	672,090	
UNIT COST	$34.19	$34.19	
TOTAL COST	$275,746,383	$275,746,383	
TOTAL COST	$3,688,524,378	$3,688,523,095	($1,283)
TOTAL GENERAL REVENUE	$1,062,265,365	$1,062,264,825	($540)
TOTAL OTHER STATE FUNDS	$0	$0	$0
TOTAL MEDICAL CARE TRUST FUND	$2,121,018,506	$2,121,017,768	($738)
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,640,502	($5)
TOTAL HEALTH CARE TF	$490,600,000	$490,600,000	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #24

Proposal Name:	Personal Care Services Rate Reduction
Brief Description of Proposal:	Estimated savings from a 1% reduction in service reimbursement rates
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	August 1, 2012
If not July 1, start date; please explain.	Administrative rule changes and FMMIS procedure code rate revisions
Total Cost/(Savings)/{Revenue}:	($385,653)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days • Update FMMIS • Rule update
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	6-9 months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #24 Cont.**

Lead Analyst:	N/A
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($385,653)**		**($420,712)**
General Revenue:	**($158,759)**		**($173,191)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($226,894)**		**($247,521)**
Refugee Assistance Trust Fund:	**($0)**		**($0)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #24 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

This reduction is for the appropriation category of Personal Care which includes the PPEC and Medical Foster Care services. This is not for the personal care services that are included in the Private Duty Nursing appropriation category, which was reduced in issue #17.

Personal Care Services Rate Reduction

	1%	Start 8/1/2012
TOTAL COST	($420,712)	($385,653)
TOTAL GENERAL REVENUE	($173,191)	($158,759)
TOTAL MEDICAL CARE TRUST FUND	($247,521)	($226,894)

PERSONAL CARE SERVICES

		1%	
MEDICAID CASELOAD	1,884,493	1,884,493	
MEDICAID UTILIZATION RATE	0.95%	0.95%	
MEDICAID SERVICES PER MONTH	17,810	17,810	
MEDICAID UNIT COST	$196.85	$194.88	
MEDICAID TOTAL COST	$42,071,170	$41,650,458	
TOTAL COST	$42,071,170	$41,650,458	($420,712)
TOTAL GENERAL REVENUE	$17,778,840	$17,605,649	($173,191)
TOTAL MEDICAL CARE TRUST FUND	$24,292,330	$24,044,809	($247,521)
TOTAL REFUGEE ASSISTANCE TF	$0	$0	$0
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #25

Proposal Name:	Occupational Therapy Rate Reduction
Brief Description of Proposal:	Estimated savings from a 1% reduction in service reimbursement rates
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	August 1, 2012
If not July 1, start date; please explain.	Administrative rule changes and FMMIS procedure code rate revisions
Total Cost/(Savings)/{Revenue}:	($317,903)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days • Update FMMIS • Rule update
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	6-9 months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #25 Cont.**

Lead Analyst:	N/A
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($317,903)**		**($346,744)**
General Revenue:	**($134,372)**		**($146,563)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($183,528)**		**($200,178)**
Refugee Assistance Trust Fund:	**($3)**		**($3)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #25 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Occupational Therapy Rate Reduction

Total	1%	Start 8/1/2012
TOTAL COST	($346,744)	($317,903)
TOTAL GENERAL REVENUE	($146,563)	($134,372)
TOTAL MEDICAL CARE TRUST FUND	($200,178)	($183,528)
TOTAL REFUGEE ASSISTANCE TF	($3)	($3)

OCCUPATIONAL THERAPY SERVICES

TOTAL COST	($346,094)	($317,253)
TOTAL GENERAL REVENUE	($146,290)	($134,099)
TOTAL MEDICAL CARE TRUST FUND	($199,804)	($183,154)
TOTAL REFUGEE ASSISTANCE TF	$0	$0

PREPAID HEALTH PLAN

TOTAL COST	($650)	($650)
TOTAL GENERAL REVENUE	($273)	($273)
TOTAL MEDICAL CARE TRUST FUND	($374)	($374)
TOTAL REFUGEE ASSISTANCE TF	($3)	($3)

Medicaid Impact Conference Issues

January 13, 2012

OCCUPATIONAL THERAPY SERVICES		1%		
MEDICAID CASELOAD	961,841	961,841		
MEDICAID UTILIZATION RATE	5.90%	5.90%		
MEDICAID SERVICES PER MONTH	56,755	56,755		
MEDICAID UNIT COST	$50.82	$50.31		
MEDICAID TOTAL COST	$34,609,419	$34,263,325	-0.009999995	-4.25383E-05
TOTAL COST	$34,609,419	$34,263,325	($346,094)	
TOTAL GENERAL REVENUE	$14,629,011	$14,482,721	($146,290)	
TOTAL MEDICAL CARE TRUST FUND	$19,980,408	$19,780,604	($199,804)	
TOTAL REFUGEE ASSISTANCE TF	$0	$0	$0	
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0	
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0	

PREPAID HEALTH PLAN			
CASELOAD	1,273,904	1,273,904	
UNIT COST	$223.25	$223.25	-4.25383E-05
TOTAL COST	$3,412,777,995	$3,412,777,345	
CASELOAD-MENTAL HEALTH	672,090	672,090	
UNIT COST	$34.19	$34.19	
TOTAL COST	$275,746,383	$275,746,383	
TOTAL COST	$3,688,524,378	$3,688,523,728	($650)
TOTAL GENERAL REVENUE	$1,062,265,365	$1,062,265,092	($273)
TOTAL OTHER STATE FUNDS	$0	$0	$0
TOTAL MEDICAL CARE TRUST FUND	$2,121,018,506	$2,121,018,132	($374)
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,640,504	($3)
TOTAL HEALTH CARE TF	$490,600,000	$490,600,000	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #26

Proposal Name:	Respiratory Therapy Rate Reduction
Brief Description of Proposal:	Estimated savings from a 1% reduction in service reimbursement rates
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	August 1, 2012
If not July 1, start date; please explain.	Administrative rule changes and FMMIS procedure code rate revisions
Total Cost/(Savings)/{Revenue}:	($185,039)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days • Update FMMIS • Rule update
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	6-9 months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #26 Cont.**

Lead Analyst:	N/A
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($185,039)**		**($201,838)**
General Revenue:	**($78,201)**		**($85,301)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($106,837)**		**($116,536)**
Refugee Assistance Trust Fund:	**($1)**		**($1)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #26 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Respiratory Therapy Rate Reduction

Total	1%	Start 8/1/2012
TOTAL COST	($201,838)	($185,039)
TOTAL GENERAL REVENUE	($85,301)	($78,201)
TOTAL MEDICAL CARE TRUST FUND	($116,536)	($106,837)
TOTAL REFUGEE ASSISTANCE TF	($1)	($1)

RESPIRATORY THERAPY SERVICES

TOTAL COST	($201,583)	($184,784)
TOTAL GENERAL REVENUE	($85,194)	($78,094)
TOTAL MEDICAL CARE TRUST FUND	($116,389)	($106,690)
TOTAL REFUGEE ASSISTANCE TF	$0	$0

PREPAID HEALTH PLAN

TOTAL COST	($255)	($255)
TOTAL GENERAL REVENUE	($107)	($107)
TOTAL MEDICAL CARE TRUST FUND	($147)	($147)
TOTAL REFUGEE ASSISTANCE TF	($1)	($1)

RESPIRATORY THERAPY SERVICES		1%		
MEDICAID CASELOAD	961,841	961,841		
MEDICAID UTILIZATION RATE	3.59%	3.59%		
MEDICAID SERVICES PER MONTH	34,574	34,574		
MEDICAID UNIT COST	$48.59	$48.10		
MEDICAID TOTAL COST	$20,158,326	$19,956,743	-0.009999987	-1.67037E-05

TOTAL COST	$20,158,326	$19,956,743	($201,583)
TOTAL GENERAL REVENUE	$8,519,392	$8,434,198	($85,194)
TOTAL MEDICAL CARE TRUST FUND	$11,638,934	$11,522,545	($116,389)
TOTAL REFUGEE ASSISTANCE TF	$0	$0	$0
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

PREPAID HEALTH PLAN

CASELOAD	1,273,904	1,273,904	
UNIT COST	$223.25	$223.25	-1.67037E-05
TOTAL COST	$3,412,777,995	$3,412,777,740	
CASELOAD-MENTAL HEALTH	672,090	672,090	
UNIT COST	$34.19	$34.19	
TOTAL COST	$275,746,383	$275,746,383	
TOTAL COST	$3,688,524,378	$3,688,524,123	($255)
TOTAL GENERAL REVENUE	$1,062,265,365	$1,062,265,258	($107)
TOTAL OTHER STATE FUNDS	$0	$0	$0
TOTAL MEDICAL CARE TRUST FUND	$2,121,018,506	$2,121,018,359	($147)
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,640,506	($1)
TOTAL HEALTH CARE TF	$490,600,000	$490,600,000	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #27

Proposal Name:	Physician Assistants Rate Reduction
Brief Description of Proposal:	Estimated savings from a 1% reduction in service reimbursement rates
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	August 1, 2012
If not July 1, start date; please explain.	Administrative rule changes and FMMIS procedure code rate revisions
Total Cost/(Savings)/{Revenue}:	($104,787)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days • Update FMMIS • Rule update
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	6-9 months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #27 Cont.**

Lead Analyst:	N/A
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($104,787)**		**($114,292)**
General Revenue:	**($44,226)**		**($48,237)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($60,409)**		**($65,889)**
Refugee Assistance Trust Fund:	**($152)**		**($166)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #27 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Physicians Assistant Rate Reduction

Total	1%	Start 8/1/2012
TOTAL COST	($114,292)	($104,787)
TOTAL GENERAL REVENUE	($48,237)	($44,226)
TOTAL MEDICAL CARE TRUST FUND	($65,889)	($60,409)
TOTAL REFUGEE ASSISTANCE TF	($166)	($152)

PHYSICIAN ASSISTANT SERVICES

TOTAL COST	($114,061)	($104,556)
TOTAL GENERAL REVENUE	($48,140)	($44,129)
TOTAL MEDICAL CARE TRUST FUND	($65,756)	($60,276)
TOTAL REFUGEE ASSISTANCE TF	($165)	($151)

PREPAID HEALTH PLAN

TOTAL COST	($231)	($231)
TOTAL GENERAL REVENUE	($97)	($97)
TOTAL MEDICAL CARE TRUST FUND	($133)	($133)
TOTAL REFUGEE ASSISTANCE TF	($1)	($1)

PHYSICIAN ASSISTANT SERVICES

		1%		
MEDICAID CASELOAD	1,410,063	1,410,063		
MEDICAID UTILIZATION RATE	1.34%	1.34%		
MEDICAID SERVICES PER MONTH	18,895	18,895		
MEDICAID UNIT COST	$50.30	$49.80		
MEDICAID TOTAL COST	$11,406,064	$11,292,003	-0.010000032	-1.50993E-05

TOTAL COST	$11,406,064	$11,292,003	($114,061)
TOTAL GENERAL REVENUE	$4,813,966	$4,765,826	($48,140)
TOTAL MEDICAL CARE TRUST FUND	$6,575,600	$6,509,844	($65,756)
TOTAL REFUGEE ASSISTANCE TF	$16,498	$16,333	($165)
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

PREPAID HEALTH PLAN

CASELOAD	1,273,904	1,273,904	
UNIT COST	$223.25	$223.25	-1.50993E-05
TOTAL COST	$3,412,777,995	$3,412,777,764	
CASELOAD-MENTAL HEALTH	672,090	672,090	
UNIT COST	$34.19	$34.19	
TOTAL COST	$275,746,383	$275,746,383	
TOTAL COST	$3,688,524,378	$3,688,524,147	($231)
TOTAL GENERAL REVENUE	$1,062,265,365	$1,062,265,268	($97)
TOTAL OTHER STATE FUNDS	$0	$0	$0
TOTAL MEDICAL CARE TRUST FUND	$2,121,018,506	$2,121,018,373	($133)
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,640,506	($1)
TOTAL HEALTH CARE TF	$490,600,000	$490,600,000	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #28

Proposal Name:	Nurse Practitioners Rate Reduction
Brief Description of Proposal:	Estimated savings from a 1% reduction in service reimbursement rates
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	August 1, 2012
If not July 1, start date; please explain.	Administrative rule changes and FMMIS procedure code rate revisions
Total Cost/(Savings)/{Revenue}:	($66,217)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days • Update FMMIS • Rule update
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	6-9 months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #28 Cont.**

Lead Analyst:	N/A
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($66,217)**		**($72,230)**
General Revenue:	**($27,990)**		**($30,532)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($38,227)**		**($41,698)**
Refugee Assistance Trust Fund:	**($0)**		**($0)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #28 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Nurse Practioners Rate Reduction

Total	1%	Start 8/1/2012
TOTAL COST	($72,230)	($66,217)
TOTAL GENERAL REVENUE	($30,532)	($27,990)
TOTAL MEDICAL CARE TRUST FUND	($41,698)	($38,227)
TOTAL REFUGEE ASSISTANCE TF	$0	$0

NURSE PRACTITIONER SERVICES

TOTAL COST	($72,155)	($66,142)
TOTAL GENERAL REVENUE	($30,500)	($27,958)
TOTAL MEDICAL CARE TRUST FUND	($41,655)	($38,184)
TOTAL REFUGEE ASSISTANCE TF	$0	$0

PREPAID HEALTH PLAN

TOTAL COST	($75)	($75)
TOTAL GENERAL REVENUE	($32)	($32)
TOTAL MEDICAL CARE TRUST FUND	($43)	($43)
TOTAL REFUGEE ASSISTANCE TF	$0	$0

NURSE PRACTITIONER SERVICES		1%		
MEDICAID CASELOAD	3,185,079	3,185,079		
MEDICAID UTILIZATION RATE	0.34%	0.34%		
MEDICAID SERVICES PER MONTH	10,888	10,888		
MEDICAID UNIT COST	$46.20	$45.74		
MEDICAID TOTAL COST	$6,036,123	$5,975,762	-0.009999962	-4.88541E-06

CROSSOVER CASELOAD	551,914	551,914	
CROSSOVER UTILIZATION RATE	0.78%	0.78%	
CROSSOVER SERVICES/MONTH	4,279	4,279	
CROSSOVER UNIT COST	$22.97	$22.74	
CROSSOVER COST	$1,179,382	$1,167,588	
TOTAL COST	$7,215,505	$7,143,350	($72,155)
TOTAL GENERAL REVENUE	$3,049,991	$3,019,491	($30,500)
TOTAL MEDICAL CARE TRUST FUND	$4,165,514	$4,123,859	($41,655)
TOTAL REFUGEE ASSISTANCE TF	$0	$0	$0
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

PREPAID HEALTH PLAN

CASELOAD	1,273,904	1,273,904	
UNIT COST	$223.25	$223.25	-4.88541E-06
TOTAL COST	$3,412,777,995	$3,412,777,920	
CASELOAD-MENTAL HEALTH	672,090	672,090	
UNIT COST	$34.19	$34.19	
TOTAL COST	$275,746,383	$275,746,383	
TOTAL COST	$3,688,524,378	$3,688,524,303	($75)
TOTAL GENERAL REVENUE	$1,062,265,365	$1,062,265,333	($32)
TOTAL OTHER STATE FUNDS	$0	$0	$0
TOTAL MEDICAL CARE TRUST FUND	$2,121,018,506	$2,121,018,463	($43)
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,640,507	$0
TOTAL HEALTH CARE TF	$490,600,000	$490,600,000	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #29

Proposal Name:	FHK Rate Freeze
Brief Description of Proposal:	Provide an estimate of the savings if FHK capitation rates continue to be frozen at the June 30, 2010 level.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	10/1/2012
If not July 1, start date; please explain.	FHKC health plan contract on 10/1 – 9/30 contract year
Total Cost/(Savings)/{Revenue}:	($10,552,726)
Bureau(s) Responsible for Administration:	Medicaid Services (manages contract with Florida Healthy Kids Corporation)

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	Implementation 10/1/12. FHKC's managed care contracts (and rates) for health plan services are based on an October 1 – September 30 cycle so the effective date of any rate freeze would mean that FHKC would not approve any rate increases for the next health plan contract year, effective 10/1/12.
II. Will this proposal require a change in Florida Statute?	No	Statute change not necessary.
III. Will this proposal require a State Plan Amendment?	No	State Plan Amendment not necessary.
IV. Will this require the Procurement Process?	No	No procurement would be necessary if a rate freeze goes into effect, unless holding the average PMPM rates frozen results in some rates that cannot be actuarially justified, and a current insurer could not continue at that rate and would exit a particular county. In those cases where an existing plan would leave only one or no managed care plan, FHKC would have to procure a new plan or plans for that county, because it is a CHIPRA requirement that families have a choice of at least two plans. Additionally, FHKC can non-renew any or all contracts after receipt of Plan rate adjustment requests (due April 1st). FHKC may re-procure with or without a rate freeze. FHKC has until June 1st to give notice of non-renewal to the health plans for a 10/1 effective date.
V. Will this proposal require an administrative rule?	No	
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Last year Impact Conference 2011
IX. Is this proposal included in the current Gov's Recs	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #29 Cont.**

Lead Analyst:	Scott Ingram with FHKC
Secondary Analyst:	Gail Hansen, Medicaid Services
Assumptions (Data source and methodology):	Program implementation date 10/1/2012 Projected Florida Healthy Kids enrollment: 209,352 Title XXI Federal Medical Assistance rate: 70.66%
FY Impacted by Implementation:	2012/2013
Date Analysis Completed:	12/20/2011

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**9**	**N/A**	**12**
Total (Savings) Cost of Proposal:	**($10,552,726)**		**($14,070,301)**
General Revenue:	**($3,096,170)**		**($4,128,226)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($7,456,556)**		**($9,942,075)**
Refugee Assistance Trust Fund:	**($0)**		**($0)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #29 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

If rates due to rate freeze cannot be actuarially justified then health plans could not continue at that rate.

#33 FHK Rate Freeze

Provide an estimate of the savings if FHK capitation rates continue to be frozen at the June 30, 2010 level.
Provide a mechanism to calculate the rate freeze.

Assumptions:

Program implementation date 10/1/2012.

Title XXI Federal Medical Assistance rate 70.66%

	Total	Federal	State
Florida Healthy Kids			
-Results from December 12, 2011 SSEC			
Medical Cost - with 6.8% increase at 10/2012	$260,946,554	$184,384,835	$76,561,719
Medical Cost - with no rate increase	$246,876,253	$174,442,760	$72,433,493
Total Savings	$14,070,301	$9,942,075	$4,128,226

Health Care Services (68500000)	
Children's Special Health Care Trust Fund (68500100)	
(1000-2) General Revenue (State)	$4,128,226
(2474-3) Medical Care Trust Fund	$9,942,075
Total	$14,070,301

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #31

Proposal Name:	Increase Nursing Home Diversion Slots
Brief Description of Proposal:	Estimate savings associated with increasing nursing home diversion slots by 1,000. Resulting in reduced nursing home utilization.
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	07/01/12
If not July 1, start date; please explain.	Lapsed Caseload of 83 per month, diversion growth rate
Total Cost/(Savings)/{Revenue}:	($8,914,445) 2 to 1 diversion from nursing home ratio
Bureau(s) Responsible for Administration:	Medicaid Services, DOEA

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.		The DOEA CARES units will need to assess each applicant and provide choice counseling before a Medicaid eligible individual can complete the enrollment process.
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	No	
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	Yes	The Nursing Home Diversion waiver enrollment capacity will have to be increased by 1,000 to accommodate this enrollment increase.
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Last year Impact Conference 2011 (deferred issue)
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue #31 Cont.**

Lead Analyst:	Keith Young & G P Mendie, Medicaid Services
Secondary Analyst:	David Royce, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012, utilized prior years' fiscal analysis model
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12 (with lapsed caseload growth)**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($8,914,445)**		**($16,457,438)**
General Revenue:	**($3,768,136)**		**($6,956,559)**
Administrative Trust Fund:			
Medical Health Care Trust Fund:	**($5,146,309)**		**($9,500,879)**
Refugee Assistance Trust Fund:	**($0)**		**($0)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #31 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

1,000 more elderly Individuals on the program waiting list will be able to receive home and community-based services and avoid nursing home placement.

Nursing Home Diversion

Increase Nursing Home Diversion By 83 per month (lapsed)

Total number of Slots: 1,000

Diversion Effectiveness Ratio: 2 to 1

	Nursing Home Diversion	Nursing Home Reduced Cost	Other Services Reduced Costs	Net Savings
TOTAL COST	$10,058,476	($17,787,423)	($1,185,498)	($8,914,445)
TOTAL GENERAL REVENUE	$4,251,718	($7,518,744)	($501,110)	($3,768,136)
TOTAL MEDICAL CARE TRUST FUND	$5,806,758	($10,268,679)	($684,388)	($5,146,309)

Increase Nursing Home Diversion By 1,000 (Annualized)

Total number of Slots: 1,000

Diversion Effectiveness Ratio: 2 to 1

	Nursing Home Diversion	Nursing Home & Other Services Reduced Cost	Net Savings
TOTAL COST	$18,569,494	($35,026,932)	($16,457,438)
TOTAL GENERAL REVENUE	$7,849,325	($14,805,884)	($6,956,559)
TOTAL MEDICAL CARE TRUST FUND	$10,720,169	($20,221,048)	($9,500,879)

Issue # 31 Cont.

ALTERNATIVE DIVERSION EFFECTIVENESS RATIOS

Increase Nursing Home Diversion Slots By 83 per month (lapsed)

Total number of Slots: 1,000
Diversion Effectiveness Ratio: 3 to 1

	Nursing Home Diversion	Nursing Home Reduced Cost	Other Services Reduced Costs	Net Savings
TOTAL COST	$10,058,476	($11,858,282)	($790,332)	($2,590,138)
TOTAL GENERAL REVENUE	$4,251,718	($5,012,496)	($334,073)	($1,094,851)
TOTAL MEDICAL CARE TRUST FUND	$5,806,758	($6,845,786)	($456,259)	($1,495,287)

Increase Nursing Home Diversion Slots By 83 per month (lapsed)

Total number of Slots: 1,000
Diversion Effectiveness Ratio: 3.5 to 1

	Nursing Home Diversion	Nursing Home Reduced Cost	Other Services Reduced Costs	Net Savings
TOTAL COST	$10,058,476	($10,164,242)	($677,428)	($783,194)
TOTAL GENERAL REVENUE	$4,251,718	($4,296,425)	($286,349)	($331,056)
TOTAL MEDICAL CARE TRUST FUND	$5,806,758	($5,867,817)	($391,079)	($452,138)

Increase Nursing Home Diversion Slots By 83 per month (lapsed)

Total number of Slots: 1,000
Diversion Effectiveness Ratio: 3.75 to 1

	Nursing Home Diversion	Nursing Home Reduced Cost	Other Services Reduced Costs	Net Savings
TOTAL COST	$10,058,476	($9,486,626)	($632,266)	($60,416)
TOTAL GENERAL REVENUE	$4,251,718	($4,009,997)	($267,259)	($25,538)
TOTAL MEDICAL CARE TRUST FUND	$5,806,758	($5,476,629)	($365,007)	($34,878)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 32

Proposal Name:	CCE Transfers to Medicaid Nursing Home Diversion Program
Brief Description of Proposal:	In conjunction with the Department of Elder Affairs, provide an estimate of the savings from moving 1,000 nursing home and Medicaid eligible clients from the Community Care for the Elderly Program to the nursing home diversion program.
Proposed State Fiscal Year:	2012-13
Proposed Start Date:	07/01/12
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	$10,058,476 * Medicaid cost only (DOEA to provide CCE information directly to House and Senate staff.
Bureau(s) Responsible for Administration:	Medicaid Services, DOEA

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.		DOEA estimates that these transfers will be completed in 3 months.
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	No	
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	Yes	The current Nursing Home Diversion waiver enrollment capacity will need to be increased by 1,000 to accommodate the CCE transfers.
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 32 Cont.**

Lead Analyst:	Keith Young and G P Mendie, Medicaid Services
Secondary Analyst:	David Royce, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012; This analysis only includes the cost to Medicaid in adding 1000 slots to Nursing Home Diversion. House and Senate staff will obtain the CCE information directly from DOEA.
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**$10,058,476**		**$18,569,494**
General Revenue:	**$4,251,718**		**$7,849,325**
Administrative Trust Fund:			
Medical Health Care Trust Fund:	**$5,806,758**		**$10,720,169**
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Work Papers/Notes/Comments:

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Note: To enroll in Nursing Home Diversion an individual must be 65 or older, eligible for Medicare Parts A & B, reside in a county where Nursing Home Diversion operates, meet nursing home level of care and additional frailty criteria, and choose to enroll in the program.

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 33

Proposal Name:	Specific County Expansion of Telephony Project and Comprehensive Management Pilot Program
Brief Description of Proposal:	(1) Expansion of the Telephony Project (Home Health Visits) to include Broward, Escambia, Martin, Palm Beach counties; and (2) Expansion of the Comprehensive Care Management Pilot Project to include the monitoring of Home Health, Private Duty Nursing, and Personal Care Services in Miami-Dade, Broward, Orange, and Palm Beach counties.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	10/01/2012
If not July 1, start date; please explain.	The respective contracts will require negotiations and amendments. The Agency will need adequate time to communicate with and train providers on the new requirements. The Vendors will also need sufficient time to hire and train their staff.
Total Cost/(Savings)/{Revenue}:	($5,766,634)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	Six months-The respective contracts will require negotiations and amendments. The Agency will need adequate time to communicate with and train providers on the new requirements. The Vendors will also need sufficient time to hire and train their staff.
II. Will this proposal require a change in Florida Statute?	No	However, the proposal will require a change in the Laws of Florida.
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	Yes	The Agency will need additional funding to negotiate and amend the respective contracts to expand the Telephony Project to four additional counties and expand the Comprehensive Management Pilot Program to include the monitoring of private duty nursing and personal care services in four counties.
V. Will this proposal require an administrative rule?	Yes	Nine months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Agency reduction issue for FY 2012-13
IX. Is this proposal included in the current Governors recommendations?	Yes	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 33 Cont.**

Lead Analyst:	Michele Logan, Medicaid Services
Secondary Analyst:	David Royce, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012. Methodology assumes a 10% cost savings for all three service categories (home health visits, private duty nursing, personal care)
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**9**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($5,766,634)**		**($7,688,845)**
General Revenue:	**($2,327,852)**		**($3,103,803)**
Administrative Trust Fund:			**($0)**
Medical Health Care Trust Fund:	**($3,438,317)**		**($4,584,422)**
Refugee Assistance Trust Fund:	**($370)**		**($493)**
Health Care Trust fund:	**($95)**		**($127)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Work Papers/Notes/Comments:

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Since implementation on July 1, 2010, the Telephony Project and Comprehensive Care Management Pilot Programs have already rendered cost savings to the State of Florida and improved quality of care to Medicaid recipients. The Telephony Project has contributed to decreased expenditures for home health visits and fewer home health agencies billing for home health visits. The face-to-face assessments, completed as a major component of the Comprehensive Care Management Pilot Program, have led to the termination of non-compliant home health agencies and reduction of Medicaid fraud. The expansion of the Telephony Project and Comprehensive Care Management Pilot Program has the potential to render additional cost savings, monitor the delivery of care, and improve quality.

With the expansion of the Telephony Project, the providers will no longer be able to bill Medicaid directly for home health visits; they will now need to submit claims through the contractor's system. Therefore, the providers and their staff will need training on the new requirements and will also be required to make considerable changes to their existing internal billing procedures.

Medicaid Impact Conference Issues

January 13, 2012

Issue #33 Cont.

Telephony Expansion & CCM Pilot Projects

HOME HEALTH COMPONENT SAVINGS	3 MONTH LAPSE	ANNUALIZED
NET COST SAVINGS *	$ (147,092)	$ (196,122)
TOTAL GENERAL REVENUE	$ (32,912)	$ (43,882)
TOTAL MEDICAL CARE TF	$ (113,714)	$ (151,619)
TOTAL REFUGEE ASSIST TF	$ (370)	$ (493)
TOTAL HEALTH CARE TF	$ (95)	$ (127)

PRIVATE DUTY NURSING COMPONENT SAVINGS	3 MONTH LAPSE	ANNUALIZED
NET COST SAVINGS *	$ (3,942,363)	$ (5,256,484)
TOTAL GENERAL REVENUE	$ (1,603,904)	$ (2,138,538)
TOTAL MEDICAL CARE TF	$ (2,338,459)	$ (3,117,945)
TOTAL REFUGEE ASSIST TF	$ -	$ -
TOTAL HEALTH CARE TF	$ -	$ -

PERSONAL CARE COMPONENT SAVINGS	3 MONTH LAPSE	ANNUALIZED
NET COST SAVINGS *	$ (1,677,179)	$ (2,236,239)
TOTAL GENERAL REVENUE	$ (691,036)	$ (921,382)
TOTAL MEDICAL CARE TF	$ (986,143)	$ (1,314,857)
TOTAL REFUGEE ASSIST TF	$ -	$ -
TOTAL HEALTH CARE TF	$ -	$ -

GRAND TOTAL ISSUE SAVINGS (includes contract expenses)	3 MONTH LAPSE	ANNUALIZED
NET COST SAVINGS *	$ (5,766,634)	$ (7,688,845)
TOTAL GENERAL REVENUE	$ (2,327,852)	$ (3,103,803)
TOTAL MEDICAL CARE TF	$ (3,438,317)	$ (4,584,422)
TOTAL REFUGEE ASSIST TF	$ (370)	$ (493)
TOTAL HEALTH CARE TF	$ (95)	$ (127)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 33A

Proposal Name:	Statewide Expansion of Telephony Project and Comprehensive Management Pilot Program for Home Health Visits
Brief Description of Proposal:	Estimate savings from expansion of the Telephony Project and Comprehensive Management Pilot Program statewide for home health visits. This analysis excludes Dade county where these projects are already operating.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	10/01/2012
If not July 1, start date; please explain.	The respective contracts will require negotiations and amendments. The Agency will need adequate time to communicate with and train providers on the new requirements. The Vendors will also need sufficient time to hire and train their staff.
Total Cost/(Savings)/{Revenue}:	$894,014
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	Six months-The respective contracts will require negotiations and amendments. The Agency will need adequate time to communicate with and train providers on the new requirements. The Vendors will also need sufficient time to hire and train their staff.
II. Will this proposal require a change in Florida Statute?	No	However, the proposal will require a change in the Laws of Florida.
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	Yes	The Agency will need additional funding as supported by price proposals, to negotiate and amend the respective contracts to expand the Telephony Project and Comprehensive Management Pilot Program to statewide for home health visits.
V. Will this proposal require an administrative rule?	Yes	Nine months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 33A Cont.**

Lead Analyst:	Michele Logan, Medicaid Services
Secondary Analyst:	David Royce, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012. Methodology assumes a 10% cost savings. Dade county is excluded; these programs/projects already operate in Dade.
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**9**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**$894,014**		**$576,019**
General Revenue:	**$497,792**		**$355,723**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**$396,803**		**$221,071**
Refugee Assistance Trust Fund:	**($462)**		**($616)**
Health Care Trust fund:	**($119)**		**($159)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #33A Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Since implementation on July 1, 2010, the Telephony Project and Comprehensive Care Management Pilot Program have already rendered cost savings to the State of Florida and improved quality of care to Medicaid recipients. The Telephony Project has contributed to decreased expenditures for home health visits and fewer home health agencies billing for home health visits. The face-to-face assessments, completed as a major component of the Comprehensive Care Management Pilot Program, have led to the termination of non-compliant home health agencies and reduction of Medicaid fraud. The expansion of the Telephony Project and Comprehensive Care Management Pilot Program has the potential to render additional cost savings, monitor the delivery of care, and improved quality of care. However, the cost to pay for home health services may exceed any cost savings in those rural counties where utilization of services is low.

With the expansion of the Telephony Project, the providers will no longer be able to bill directly for home health visits; they will now need to submit claims through the contractor's system. Therefore, the Providers and their staff will need training on the new requirements and will also be required to make considerable changes to their existing internal billing procedures.

ISSUE 33A HHV STATEWIDE (LESS DADE)

BASE YEAR: FY1011 (claims thru Nov 2011)		
Dade County: 74.4% of costs, all other counties: 25.6%		
RECIPS	SERVICE UNITS	EXPENDITURES
3,014	430,303	$7,742,263

EXTRAPOLATION FACTOR FROM FY1011 TO FY1213	112%	$8,688,360

10% COST SAVINGS FROM EXPANDED COUNTIES

TOTAL COST SAVING	**3 MONTH LAPSE**	($651,627)	**PREPAID HEALTH PLAN OFFSET**
CONTRACT & RELATED COSTS*		$1,546,538	
NET COST INCREASE		$894,911	($897)
TOTAL GENERAL REVENUE		$498,051	($258)
TOTAL MEDICAL CARE TF		$397,319	($516)
TOTAL REFUGEE ASSIST TF		($459)	($4)
TOTAL HEALTH CARE TF		$0	($119)

Medicaid Impact Conference Issues

January 13, 2012

			PREPAID HEALTH PLAN OFFSET
TOTAL COST SAVING	**ANNUALIZED**	($868,836)	
CONTRACT & RELATED COSTS*		$1,446,050	
NET COST INCREASE		$577,215	($1,196)
TOTAL GENERAL REVENUE		$356,068	($344)
TOTAL MEDICAL CARE TF		$221,759	($688)
TOTAL REFUGEE ASSIST TF		($612)	($5)
TOTAL HEALTH CARE TF		$0	($159)

Telephony Expansion & Comprehensive Case Management Pilot Project

	3 MONTH LAPSE	ANNUALIZED
TOTAL ISSUE COSTS	$894,014	$576,019
TOTAL GENERAL REVENUE	$497,792	$355,723
TOTAL MEDICAL CARE TF	$396,803	$221,071
TOTAL REFUGEE ASSIST TF	($462)	($616)
TOTAL HEALTH CARE TF	($119)	($159)

* Telephony: Sandata, CCM: eQ Health Solutions
Vendor costs include non-recurring costs for initial startup expenses for computer equipment and statewide provider training requirements.

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 33B

Proposal Name:	Statewide Expansion of Telephony Project and Comprehensive Management Pilot Program for Private Duty Nursing
Brief Description of Proposal:	Estimate saving from expansion of the Telephony Project and Comprehensive Management Pilot Program statewide for private duty nursing
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	10/01/2012
If not July 1, start date; please explain.	The respective contracts will require negotiations and amendments. The Agency will need adequate time to communicate with and train providers on the new requirements. The Vendors will also need sufficient time to hire and train their staff.
Total Cost/(Savings)/{Revenue}:	($6,392,715)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	The respective contracts will require negotiations and amendments. The Agency will need adequate time to communicate with and train providers on the new requirements. The Vendors will also need sufficient time to hire and train their staff.
II. Will this proposal require a change in Florida Statute?	No	However, the proposal will require a change in the Laws of Florida.
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	Yes	The Agency will need additional funding as supported by price proposals, to negotiate and amend the respective contracts to expand the Telephony Project and Comprehensive Management Pilot Program to statewide for private duty nursing.
V. Will this proposal require an administrative rule?	Yes	Nine months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 33B Cont.**

Lead Analyst:	Michele Logan, Medicaid Services
Secondary Analyst:	David Royce, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012. Methodology assumes a 10% cost savings
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**9**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($6,392,715)**		**($10,165,346)**
General Revenue:	**($2,374,777)**		**($3,987,232)**
Administrative Trust Fund:			
Medical Health Care Trust Fund:	**($4,017,938)**		**($6,178,114)**
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #33B Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Since implementation on July 1, 2010, the Telephony Project and Comprehensive Care Management Pilot Program have already rendered cost savings to the State of Florida and improved quality of care to Medicaid recipients. The Telephony Project has contributed to decreased expenditures for home health visits and fewer home health agencies billing for home health visits. The face-to-face assessments, completed as a major component of the Comprehensive Care Management Pilot Program, have led to the termination of non-compliant home health agencies and reduction of Medicaid fraud. The expansion of the Telephony Project and Comprehensive Care Management Pilot Program has the potential to render additional cost savings, monitor the delivery of care, and improved quality of care. However, the cost to pay for private duty nursing services may exceed any cost savings in those rural counties where utilization of services is low.

With the expansion of the Telephone project, the providers will no longer be able to bill directly for home health visits; they will now need to submit claims through the contractor's system. Therefore, the Providers and their staff will need training on the new requirements and will also be required to make considerable changes to their existing internal billing procedures.

PRIVATE DUTY NURSING	FY1213*
TOTAL COSTS	182,294,638
GENERAL REVENUE	77,055,943
MCTF	105,238,695

* SSEC January 2012

EXPENDITURE SPLIT BETWEEN PDN & PCS*	
PRIVATE DUTY NURSING	77.74%
PERSONAL CARE SERVICES	22.26%

* Private Duty Nursing appropriation category includes Personal Care services as well.
This fiscal calculation is based on 77.74% of the appropriation is for PDN.

VENDORS CONTRACT COSTS (1)	LAPSED JUL-SEP 2012
CONTRACT COST	3,004,460
NON-RECURRING COSTS (2)	1,231,294
TOTAL VENDOR COSTS	4,235,754
GENERAL REVENUE	2,117,877
MCTF	2,117,877

VENDORS CONTRACT COSTS (1)	ANNUALIZED
CONTRACT COST	4,005,946
NON-RECURRING COSTS (2)	-
TOTAL VENDOR COSTS	4,005,946
GENERAL REVENUE	2,002,973
MCTF	2,002,973

Medicaid Impact Conference Issues

January 13, 2012

10% REDUCED SERVICES SAVINGS	LAPSED JUL-SEP 2012
TOTAL (Less Personal Care)	(10,628,469)
GENERAL REVENUE	(4,492,654)
MCTF	(6,135,815)

NET SAVINGS	LAPSED JUL-SEP 2012
TOTAL	(6,392,715)
GENERAL REVENUE	(2,374,777)
MCTF	(4,017,938)

10% REDUCED SERVICES SAVINGS	ANNUALIZED
TOTAL (Less Personal Care)	(14,171,292)
GENERAL REVENUE	(5,990,205)
MCTF	(8,181,087)

NET SAVINGS	ANNUALIZED
TOTAL	(10,165,346)
GENERAL REVENUE	(3,987,232)
MCTF	(6,178,114)

(1) Telephony: Sandata, CCM: eQ Health Solutions

(2) Non-recurring costs include initial startup expenses for computer equipment and statewide provider training requirements.

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 33C

Proposal Name:	Statewide Expansion of Telephony Project and Comprehensive Management Pilot Program for Personal Care Services
Brief Description of Proposal:	Estimate saving from expansion of the Telephony Project and Comprehensive Management Pilot Program statewide for personal care services
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	10/01/2012
If not July 1, start date; please explain.	The respective contracts will require negotiations and amendments. The Agency will need adequate time to communicate with and train providers on the new requirements. The Vendors will also need sufficient time to hire and train their staff.
Total Cost/(Savings)/{Revenue}:	($354,930)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	The respective contracts will require negotiations and amendments. The Agency will need adequate time to communicate with and train providers on the new requirements. The Vendors will also need sufficient time to hire and train their staff.
II. Will this proposal require a change in Florida Statute?	No	However, the proposal will require a change in the Laws of Florida.
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	Yes	The Agency will need additional funding as supported by price proposals, to negotiate and amend the respective contracts to expand the Telephony Project and Comprehensive Management Pilot Program to statewide for personal care services.
V. Will this proposal require an administrative rule?	Yes	Nine months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 33C Cont.**

Lead Analyst:	Michele Logan, Medicaid Services
Secondary Analyst:	David Royce, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012. Methodology assumes a 10% cost savings
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**9**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($354,930)**		**($2,114,959)**
General Revenue:	**$57,807**		**($743,783)**
Administrative Trust Fund:			
Medical Health Care Trust Fund:	**($412,738)**		**($1,371,176)**
Refugee Assistance Trust Fund:	**($0)**		**($0)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue #33C Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Since implementation on July 1, 2010, the Telephony Project and Comprehensive Care Management Pilot Program have already rendered cost savings to the State of Florida and improved quality of care to Medicaid recipients. The Telephony Project has contributed to decreased expenditures for home health visits and fewer home health agencies billing for home health visits. The face-to-face assessments, completed as a major component of the Comprehensive Care Management Pilot Program, have led to the termination of non-compliant home health agencies and reduction of Medicaid fraud. The expansion of the Telephony Project and Comprehensive Care Management Pilot Program has the potential to render additional cost savings, monitor the delivery of care, and improved quality of care. However, the cost to pay for personal care services may exceed any cost savings in those rural counties where utilization of services is low.

With the expansion of the Telephone project, the providers will no longer be able to bill directly for home health visits; they will now need to submit claims through the contractor's system. Therefore, the Providers and their staff will need training on the new requirements and will also be required to make considerable changes to their existing internal billing procedures.

PRIVATE DUTY NURSING	FY1213*
TOTAL COSTS	182,294,638
GENERAL REVENUE	77,055,943
MCTF	105,238,695

* SSEC January 2012

EXPENDITURE SPLIT BETWEEN PDN & PCS*	
PRIVATE DUTY NURSING	77.74%
PERSONAL CARE SERVICES	22.26%

* Private Duty Nursing appropriation category includes Personal Care services as well.
This fiscal calculation is based on 22.26% of the appropriation is for PCS.

VENDORS CONTRACT COSTS (1)	LAPSED JUL-SEP 2012
CONTRACT COST	1,457,405
NON-RECURRING COSTS (2)	1,231,294
TOTAL VENDOR COSTS	2,688,699
GENERAL REVENUE	1,344,349
MCTF	1,344,349

VENDORS CONTRACT COSTS (1)	ANNUALIZED
CONTRACT COST	1,943,213
NON-RECURRING COSTS (2)	-
TOTAL VENDOR COSTS	1,943,213
GENERAL REVENUE	971,607
MCTF	971,607

Medicaid Impact Conference Issues

January 13, 2012

10% REDUCED SERVICES SAVINGS	LAPSED JUL-SEP 2012
TOTAL (Less Private Duty)	(3,043,629)
GENERAL REVENUE	(1,286,542)
MCTF	(1,757,087)

10% REDUCED SERVICES SAVINGS	ANNUALIZED
TOTAL (Less Private Duty)	(4,058,172)
GENERAL REVENUE	(1,715,389)
MCTF	(2,342,783)

NET COST	LAPSED JUL-SEP 2012
TOTAL	(354,930)
GENERAL REVENUE	57,807
MCTF	(412,738)

NET SAVINGS	ANNUALIZED
TOTAL	(2,114,959)
GENERAL REVENUE	(743,783)
MCTF	(1,371,176)

(1) Telephony: Sandata, CCM: eQ Health Solutions

(2) Non-recurring costs include initial startup expenses for computer equipment and statewide provider training requirements.

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 34

Proposal Name:	Preventable Hospital Errors
Brief Description of Proposal:	No longer reimbursing hospitals for preventable hospital errors (hospital acquired conditions or HAC).
Proposed State Fiscal Year:	2012/13
Proposed Start Date:	07/01/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	($2,731,943)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	N/A	At least 180 days needed for rule change (59G-4.160 Hospital Services handbook). Anticipate completing this task by July 1, 2012.
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Rule amendment, at least 180 days. Anticipate completing this task by July 1, 2012.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 34 Cont.**

Lead Analyst:	Pam Kyllonen, Medicaid Services
Secondary Analyst:	David Royce, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 2012. Utilized a HAC analysis performed by the Agency's Florida Center for Health Information and Policy Analysis (August 2011).
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($2,731,943)**		
General Revenue:	**($429,376)**		
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**($1,575,566)**		
Refugee Assistance Trust Fund:	**($3,055)**		
Health Care Trust fund:	**($546)**		
Grants and Donation Trust Fund:	**($416,522)**		
Public Medical Assistance Trust Fund:	**($288,272)**		
Other State Funds:	**($18,606)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 34 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

The Agency has amended the eQ Health Solutions, Inc. contract to include the task of identifying any occurrences of hospital acquired conditions (HAC) and to disallow any Medicaid covered inpatient days associated with such conditions. This contractor is the Agency's Quality Improvement Organization responsible for reviewing the medical appropriateness of Medicaid inpatient admissions. Their prior authorization is required before Medicaid inpatient reimbursement is allowed. The Agency will direct this contractor to implement HAC identification as part of their review process commencing July 1, 2012.

TOTAL FY1213 ISSUE COST SAVINGS	($2,731,943)
TOTAL GENERAL REVENUE	($429,376)
TOTAL MEDICAL CARE TRUST FUND	($1,575,566)
TOTAL REFUGEE ASSISTANCE TF	($3,055)
TOTAL PUBLIC MEDICAL ASSIST TF	($288,272)
TOTAL GRANTS AND DONATIONS TF	($416,522)
TOTAL OTHER STATE FUNDS	($18,606)
TOTAL HEALTH CARE TF	($546)

ELIMINATE INPATIENT COSTS FOR HOSPITAL ACQUIRED CONDITIONS

FY1011		
HOSPITAL INPATIENT SERVICES		
MEDICAID CASELOAD		1,202,262
MEDICAID UTILIZATION RATE		2.42%
MEDICAID ADMISSIONS PER MONTH		29,101
MEDICAID DAYS PER ADMISSION		5.19
MEDICAID PER DIEM	$	1,700.54
MEDICAID TOTAL COST	$	3,079,749,345

HOSPITAL ACQUIRED CONDITIONS	661

CY2010 Medicaid inpatient discharges with a HAC condition as identified by the Agency's Florida Center for Health Information and Policy Analysis analysis (Aug. 2011). Center's data has a payer source code that indicates Medicaid (fee for service).

Medicaid Impact Conference Issues

January 13, 2012

HAC % OF TOTAL MEDICAID FY1011 ADMISSIONS	0.19%

FY1213*	
HOSPITAL INPATIENT SERVICES	
MEDICAID CASELOAD	1,410,063
MEDICAID UTILIZATION RATE	2.46%
MEDICAID ADMISSIONS PER MONTH	34,725
MEDICAID DAYS PER ADMISSION	5.16
MEDICAID PER DIEM	1,729.23
MEDICAID TOTAL COST	3,720,617,072

* SSEC January 2012

FY1213 HOSPITAL ACQUIRED CONDITIONS	789

Applied the FY1011 HAC (0.19%)

FY1213 REDUCED HAC DAYS	(1,577)

Assume an average reduced length of stay of 2 days for HAC admits

FY1213 COST SAVINGS FROM DISALLOWED HAC INPATIENT DAYS	$	(2,727,837)

*Reduced HAC days * Avg. Medicaid Per Diem*

Medicaid Impact Conference Issues

January 13, 2012

FY1213 HAC SAVINGS BY FUNDING SOURCE	$	(2,727,837)
TOTAL GENERAL REVENUE	$	(428,193)
TOTAL MEDICAL CARE TRUST FUND	$	(1,573,205)
TOTAL REFUGEE ASSISTANCE TF	$	(3,039)
TOTAL PUBLIC MEDICAL ASSIST TF	$	(288,272)
TOTAL GRANTS AND DONATIONS TF	$	(416,522)
TOTAL OTHER STATE FUNDS	$	(18,606)
TOTAL HEALTH CARE TF	$	-

TOTAL FY1213 ISSUE COST SAVINGS	$	(2,731,943)	PREPAID HEALTH PLAN OFFSET	$	(4,106)
TOTAL GENERAL REVENUE	$	(429,376)		$	(1,182)
TOTAL MEDICAL CARE TRUST FUND	$	(1,575,566)		$	(2,361)
TOTAL REFUGEE ASSISTANCE TF	$	(3,055)		$	(16)
TOTAL PUBLIC MEDICAL ASSIST TF	$	(288,272)		$	-
TOTAL GRANTS AND DONATIONS TF	$	(416,522)		$	-
TOTAL OTHER STATE FUNDS	$	(18,606)		$	-
TOTAL HEALTH CARE TF	$	(546)		$	(546)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #35a

Proposal Name:	HIV/AIDS Disease Management Contract
Brief Description of Proposal:	Elimination of the HIV/AIDS disease management contract
Proposed State Fiscal Year:	2012/13
Proposed Start Date:	10/01/2012
If not July 1, start date; please explain.	Elimination of the program would be signed into law for fiscal year 2012/13 effective 7/1/2012, but the program cannot be eliminated without appropriate notification of recipients and a transition plan which could take up to 5 months to complete. Proposal start date would be dependent upon when the transition plan is initiated.
Total Cost/(Savings)/{Revenue}:	($5,625,000)
Bureau(s) Responsible for Administration:	Health Systems Development

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	A transition plan will need to be developed and implemented to end the HIV/AIDS DM program. It will be necessary to include a federally required 60 day notice of the program ending to recipients currently enrolled in the program. 10/01/12 Effective date of budget reduction 8/1 DM Vendor submits and Agency approves transition plan. 1915(b) and 1915(c) waiver amendments submitted to federal CMS 9/1 Transition plan implemented 10/1 Notice mailed to affected recipients 11/1 Transition plan continues 12/31 HIV/AIDS DM program terminated
II. Will this proposal require a change in Florida Statute?	No	.
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	No	However, the current PAC Handbook references the current DM Vendor so the handbook, which is incorporated by rule,

		would need to be amended along with the rule.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	Yes	The Medicaid Managed Care Waiver 1915(b) would need to be amended to eliminate authority for the HIV/AIDS disease management program. The 1915(c) waiver would also need to be amended to remove the language that references the performance of Project AIDS Care (PAC) assessments/exceptional authorizations by the HIV/AIDS disease management vendor.
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	In previous years, the elimination of dual eligibles from the HIV/AIDS disease management was proposed but deferred.
IX. Is this proposal included in the current Governors recommendations?	No	Was not included in the Governor's budget released on 12/7/2011.

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # Cont. 35a**

Lead Analyst:	Tracy Hurd, Health Systems Development
Secondary Analyst:	Fred Roberson, David Royce, Medicaid Program Analysis
Assumptions (Data source and methodology):	HIV/AIDS contract costs for FY1213
FY Impacted by Implementation:	2012/13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**9**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($5,625,000)**		**($7,500,000)**
General Revenue:	**($2,377,688)**		**($3,170,250)**
Administrative Trust Fund:			**($0)**
Medical Health Care Trust Fund:	**($3,247,312)**		**($4,329,750)**
Refugee Assistance Trust Fund:			
Tobacco Settlement Trust fund:			
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 35a Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

The elimination of the funding will result in beneficiaries not receiving disease management services including care management and disease state education services. The elimination of the disease management program does not impact an enrollee's ability to obtain medical services. Project AIDS Care (PAC) Waiver recipients enrolled in the HIV/AIDS DM Program would continue to receive PAC waiver services as they do currently. Elimination of the DM program could result in loss of long term savings attributable to avoidance of disease progression in recipients with chronic conditions.

The elimination of the HIV/AIDS disease management contract would result in the elimination of the PAC assessments/exception authorizations performed by the disease management vendor. The agency would need to explore other options for the performance of these two federally required functions.

The elimination of the disease management contracts would result in an elimination of (b)(3) home and community based waiver services. The Centers for Medicare and Medicaid (CMS) has communicated to the State that CMS will not approve any new (b)(3)services. Thus, eliminating the disease management contracts may prevent the agency from obtaining authority to implement any programs that require new (b)(3) services in the future.

AIDS/HIV DM CONTRACT FY1213

	3 MONTH LAPSE
TOTAL SAVINGS	($5,625,000)
GENERAL REVENUE	($2,377,688)
MEDICAL CARE TF	($3,247,312)

	ANNUALIZED
TOTAL SAVINGS	($7,500,000)
GENERAL REVENUE	($3,170,250)
MEDICAL CARE TF	($4,329,750)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #35b

Proposal Name:	Hemophilia Disease Management Contracts
Brief Description of Proposal:	Elimination of the disease management contracts for the Comprehensive Hemophilia Disease Management Program.
Proposed State Fiscal Year:	2012/13
Proposed Start Date:	07/01/2012
If not July 1, start date; please explain.	For the hemophilia contracts to be eliminated as of 07/01/12, the Governor must sign a law or proviso by 4/1/12 since a 60-day patient notification is required.
Total Cost/(Savings)/{Revenue}:	$14,896,481
Bureau(s) Responsible for Administration:	Health Systems Development

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.		Beneficiaries would need to be notified of the ability to obtain factor products from any Medicaid enrolled specialty pharmacy. Federally mandated 60 day notice is required.
II. Will this proposal require a change in Florida Statute?	Yes	Statute language requiring managed care enrollees to obtain factor products/overlay services from the agency's hemophilia disease management program would need to be removed or revised. This language can be found on Lines 610-614 of HB 7107 from the 2011 Legislative Session. In order to preserve the reduced pricing option, ss. 409.908, F.S. and 409.912 F.S. would need to be amended.
III. Will this proposal require a State Plan Amendment?	No	However, in order to maintain the reduced pricing option, the State Plan would need to be amended to add a provision for the discounted pricing of factor products.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	No	In order to preserve the reduced pricing option, Rule 59G-4.251, Florida Medicaid Prescribed Drugs Reimbursement Methodology will need revision.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	.
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Gov's Recs	No	Not included in the Governor's budget released on 12/7/2011.

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 35b Cont.**

Lead Analyst:	Tracy Hurd, Health Systems Development
Secondary Analyst:	Fred Roberson, David Royce, Medicaid Program Analysis
Assumptions (Data source and methodology):	Pharmacy expenditures for hemophilia drugs covered by the contractors. The education/care management portion of the Disease Management Hemophilia program is provided at no charge to the state, but elimination of the pricing portion of the Disease Management program would result in increased costs in Medicaid's prescribed medicine appropriation.
FY Impacted by Implementation:	2012/13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**$14,896,481**		
General Revenue:	**$6,271,418**		
Administrative Trust Fund:			**($0)**
Medical Health Care Trust Fund:	**$8,599,739**		
Refugee Assistance Trust Fund:	**$25,324**		
Tobacco Settlement Trust fund:			
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 35b Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

The elimination of the funding will result in beneficiaries not receiving disease management services including care management and disease state education services. The elimination of the disease management program does not impact an enrollee's ability to obtain medical services. Elimination of the DM program could result in loss of long term savings attributable to avoidance of disease progression in recipients with chronic conditions.

If the Hemophilia disease management program is eliminated, the agency will no longer realize the savings attributed to the reduced pharmacy pricing portion of the contract. In order to maintain the reduced pricing option, the pharmacy statutes (ss.409.908 and 409.912, F.S.) would need to be amended to add a provision for the discounted pricing of factor products and the pharmacy rule would need to be amended. As a result, all Medicaid enrolled specialty pharmacy providers would be able to supply factor product at the discounted price and recipients would be able to choose any specialty pharmacy provider for factor products. The current vendors are accountable for fraud and abuse detection. If the DM program ended, the Agency would need to include provisions to detect and/or prevent fraud and abuse of factor products.

Hemophilia Drug Costs	Current Drug Costs with Contract Discount	Drug Costs Without Contract Discount	Net Increased Pharmacy Costs
Total cost	$59,585,924	$74,482,405	$14,896,481
General revenue	$21,739,541	$28,010,959	$6,271,418
Medical Care TF	$27,615,480	$36,215,219	$8,599,739
Refugee Assistance TF	$101,296	$126,620	$25,324
Grants and Donations TF	$10,129,607	$10,129,607	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #36a

Proposal Name:	Pharmacy Reimbursement
Brief Description of Proposal:	Change WAC-based calculation in the fee-for-service pharmacy reimbursement from WAC + 1.5% to WAC + 1.0%.
Proposed State Fiscal Year: 12/13	2012-13
Proposed Start Date:	07/01/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	($8,242,330)
Bureau(s) Responsible for Administration:	Medicaid Pharmacy Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	System programming could be completed and implemented on July 1, 2012.
II. Will this proposal require a change in Florida Statute?	Yes	409.912, F.S. and 409.908, F.S. specify the reimbursement rate.
III. Will this proposal require a State Plan Amendment?	Yes	Reimbursement rate is in the State Plan.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	59G-4.251, F.A.C.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	WAC-based reimbursement was changed to WAC + 1.5% in 2011 to bring the WAC-based calculation equivalent to the AWP-based calculation subsequent to settlement of a federal lawsuit. That adjustment had no impact to the current level of reimbursement but maintained the AWP-based level when publication of AWP prices ceased in September 2011.
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 36a Cont.**

Lead Analyst:	Marie Donnelly, Medicaid Pharmacy Services
Secondary Analyst:	Fred Roberson, MPA
Assumptions (Data source and methodology):	Pharmacy claims paid at WAC + 1.5% from 10/1/11-10/31/11 were re-priced through the pricing logic using WAC + 1.0%. SSEC January 4, 2012
FY Impacted by Implementation:	2012-13 and out years
Date Analysis Completed:	January 2012

WAC+ 1.0%

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($8,242,330)**		
General Revenue:	**($3,404,481)**		
Administrative Trust Fund:			
Medical Health Care Trust Fund:	**($4,818,533)**		
Refugee Assistance Trust Fund:	**($19,316)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 36a Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):
The full impact of such a reduction would be to retail pharmacies, while the net impact to state General Revenue is minimal since manufacturer rebates and federal match offset a large percentage of the total cost.

Summary based on claims from 10/1/11 through 10/31/11 priced at current prices as of December 2011

	Claims Count	Estimated Amount Paid
At Current Pricing Algorithm	1,349,513	$ 103,289,870.72

Estimates with lesser of logic with different WAC adjustments.

	Claims Count	Estimated Amount Paid based on current pricing Algorithm (WAC + 1.5%)	Estimated Amount Paid based on various WAC adjudstments	Difference	Annualized
WAC + 1.0%	1,349,513	$ 103,289,870.72	$ 102,860,542.86	$ 429,327.86	$ 5,151,934.33
WAC + 0.5%	1,349,513	$ 103,289,870.72	$ 102,430,753.93	$ 859,116.79	$ 10,309,401.45
WAC + 0.0%	1,349,513	$ 103,289,870.72	$ 102,000,196.39	$ 1,289,674.32	$ 15,476,091.89

Note: This excludes EBA, Compound and Hemophilia (HIC3 M0E, M0F and M0C) products

Source: Magellan Medicaid Administration 12/11/2011

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments:

Issue # 36a Cont

	0.5773		
PRESCRIBED MEDICINE	WAC+1.5%		WAC+1%
MEDICAID CASELOAD	1,410,063	1,410,063	
MEDICAID UTILIZATION RATE	105.78%	105.78%	
MEDICAID PRESCRIPTIONS PER MONTH	1,491,626	1,491,626	
MEDICAID UNIT COST	$82.45	$82.12	($0.33)
MEDICAID TOTAL COST	$1,475,775,641	$1,469,926,488	
TOTAL COST	$1,475,775,641	$1,469,926,488	($5,849,153)
TOTAL GENERAL REVENUE	$379,937,139	$377,469,116	($2,468,023)
TOTAL MEDICAL CARE TRUST FUND	$361,305,736	$357,934,423	($3,371,313)
TOTAL REFUGEE ASSISTANCE TF	$2,476,841	$2,467,024	($9,817)
TOTAL HEALTH CARE TF	$1,500,000	$1,500,000	$0
TOTAL GRANTS AND DONATIONS TF	$730,555,925	$730,555,925	$0

WAC+1%	12 MONTHS RX SAVINGS	HMO OFFSET (2 Month Lapse)	TOTAL
TOTAL SAVINGS	($5,849,153)	($2,393,177)	($8,242,330)
TOTAL GENERAL REVENUE	($2,468,023)	($936,458)	($3,404,481)
TOTAL MEDICAL CARE TRUST FUND	($3,371,313)	($1,447,220)	($4,818,533)
TOTAL REFUGEE ASSISTANCE TF	($9,817)	($9,499)	($19,316)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #36b

Proposal Name:	Pharmacy Reimbursement
Brief Description of Proposal:	Change WAC-based calculation in the fee-for-service pharmacy reimbursement from WAC + 1.5% to WAC.
Proposed State Fiscal Year: 12/13	2012-13
Proposed Start Date:	07/01/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	($24,759,469)
Bureau(s) Responsible for Administration:	Medicaid Pharmacy Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	System programming could be completed and implemented on July 1, 2012.
II. Will this proposal require a change in Florida Statute?	Yes	409.912, F.S. and 409.908, F.S. specify the reimbursement rate.
III. Will this proposal require a State Plan Amendment?	Yes	Reimbursement rate is in the State Plan.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	59G-4.251, F.A.C.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	WAC-based reimbursement was changed to WAC + 1.5% in 2011 to bring the WAC-based calculation equivalent to the AWP-based calculation subsequent to settlement of a federal lawsuit. That adjustment had no impact to the current level of reimbursement but maintained the AWP-based level when publication of AWP prices ceased in September 2011.
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 36b Cont.**

Lead Analyst:	Marie Donnelly, Medicaid Pharmacy Services
Secondary Analyst:	Fred Roberson, MPA
Assumptions (Data source and methodology):	Pharmacy claims paid at WAC + 1.5% from 10/1/11-10/31/11 were re-priced through the pricing logic using WAC. SSEC January 4, 2012
FY Impacted by Implementation:	2012-13 and out years
Date Analysis Completed:	January 2012

WAC+ 0%

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($24,759,469)**		
General Revenue:	**($10,369,915)**		
Administrative Trust Fund:			
Medical Health Care Trust Fund:	**($14,331,531)**		
Refugee Assistance Trust Fund:	**($58,023)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 36b Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

The full impact of such a reduction would be to retail pharmacies, while the net impact to state General Revenue is minimal since manufacturer rebates and federal match offset a large percentage of the total cost.

Summary based on claims from 10/1/11 through 10/31/11 priced at current prices as of December 2011

	Claims Count	Estimated Amount Paid
At Current Pricing Algorithm	1,349,513	$ 103,289,870.72

Estimates with lesser of logic with different WAC adjustments.

	Claims Count	Estimated Amount Paid based on current pricing Algorithm (WAC + 1.5%)	Estimated Amount Paid based on various WAC adjudstments	Difference	Annualized
WAC + 1.0%	1,349,513	$ 103,289,870.72	$ 102,860,542.86	$ 429,327.86	$ 5,151,934.33
WAC + 0.5%	1,349,513	$ 103,289,870.72	$ 102,430,753.93	$ 859,116.79	$ 10,309,401.45
WAC + 0.0%	1,349,513	$ 103,289,870.72	$ 102,000,196.39	$ 1,289,674.32	$ 15,476,091.89

Note: This excludes EBA, Compound and Hemophilia (HIC3 M0E, M0F and M0C) products

Source: Magellan Medicaid Administration 12/11/2011

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 36b Cont**

	0.5773		
PRESCRIBED MEDICINE	WAC+1.5%		WAC
MEDICAID CASELOAD	1,410,063	1,410,063	
MEDICAID UTILIZATION RATE	105.78%	105.78%	
MEDICAID PRESCRIPTIONS PER MONTH	1,491,626	1,491,626	
MEDICAID UNIT COST	$82.45	$81.47	($0.98)
MEDICAID TOTAL COST	$1,475,775,641	$1,458,205,133	
TOTAL COST	$1,475,775,641	$1,458,205,133	($17,570,508)
TOTAL GENERAL REVENUE	$379,937,139	$372,522,814	($7,414,325)
TOTAL MEDICAL CARE TRUST FUND	$361,305,736	$351,179,042	($10,126,694)
TOTAL REFUGEE ASSISTANCE TF	$2,476,841	$2,447,352	($29,489)
TOTAL HEALTH CARE TF	$1,500,000	$1,500,000	$0
TOTAL GRANTS AND DONATIONS TF	$730,555,925	$730,555,925	$0

WAC	12 MONTHS RX SAVINGS	HMO OFFSET (2 Month Lapse)	TOTAL
TOTAL SAVINGS	($17,570,508)	($7,188,961)	($24,759,469)
TOTAL GENERAL REVENUE	($7,414,325)	($2,955,590)	($10,369,915)
TOTAL MEDICAL CARE TRUST FUND	($10,126,694)	($4,204,837)	($14,331,531)
TOTAL REFUGEE ASSISTANCE TF	($29,489)	($28,534)	($58,023)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 37a

Proposal Name:	Eliminate/Reduce Nursing Home Bed Hold Days
Brief Description of Proposal:	Savings associated with eliminating nursing home bed hold days or limiting to four days instead of eight. Analysis should show savings at 90 percent occupancy rates.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	07/01/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	$6,310,825 (Reducing to 4 days at 90% occupancy)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.		• Receive approval for State Plan Amendment • Promulgate rule for a revised Nursing Facility Services Coverage and Limitations Handbook • Modify the Florida Medicaid Management Information System to accommodate reimbursement change Provider notification
II. Will this proposal require a change in Florida Statute?	No	There is no Florida Statute specifying the maximum number of days a nursing home may be paid for bed hold days.
III. Will this proposal require a State Plan Amendment?	Yes	Minimum of 90 days for approval. State Plan Amendment can be made retroactively effective.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Promulgate rule for a revised Nursing Facility Services Coverage and Limitations Handbook, which would take a minimum of 120 days.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	This was proposed last year.
IX. Is this proposal included in the current Governors recommendations?		

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 37a Cont.**

Lead Analyst:	Susan Rinaldi, Program Analyst, Bureau of Medicaid Services
Secondary Analyst:	Stephen Russell, Medicaid Program Finance
Assumptions (Data source and methodology):	Data Source: budget projections, post estimating conf (Jan-4th-2012) and Medicaid cost report data.
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	01/09/2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	
Total (Savings) Cost of Proposal:	**$6,310,825**		
General Revenue:	**$2,667,585**		
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**$3,643,240**		
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 37a Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Current Situation:
When the occupancy rate of a nursing facility is 95 percent or greater, Medicaid may pay a nursing home to hold a recipient's bed for up to eight days while the individual is temporarily discharged to a hospital. There is no federal regulation that mandates Medicaid pay nursing home bed hold days.

Pros:
The state would realize savings if Medicaid eliminated payments to nursing homes for hospital bed hold days, or if the number of allowed hospital hold days was limited to four days instead of eight days.

Cons:
When Medicaid does not pay a nursing home to hold a bed while a recipient is temporarily discharged from the facility, there is no federal or state regulation that precludes a facility from placing someone else in the recipient's vacant bed or requires a facility to readmit a recipient to the same bed previously occupied by the recipient. If the nursing home fills a bed vacant because a Medicaid recipient was temporarily discharged from the nursing home, federal regulations do require that the facility admit the recipient to the first available bed upon discharge from the hospital.

Patient advocates would be concerned that placing a patient in an unfamiliar nursing facility could compound the trauma of being hospitalized, and may reduce quality of care by placing the patient in a facility unfamiliar with the patient's individual needs.

Industry Concerns:
Nursing home providers would not support eliminating Medicaid payment for hospital bed hold days or limiting hospital bed hold days to four instead of eight days.

Implementation Requirement:
- Revise State Plan Amendment
- Modify the Florida Medicaid Management Information System to accommodate reimbursement change
- Promulgate rule for a revised Nursing Facility Services Coverage and Limitations Handbook
- Provider notification

Medicaid Impact Conference Issues

January 13, 2012

Issue # 37a Cont.

	Eliminate Current Hold Day Costs *	Reduce From 8 to 4 Hold Days 95% Occupancy	90% Occupancy	85% Occupancy
Nursing Homes				
Total	($14,082,009)	($7,041,005)	$6,310,825	$12,569,495
General Revenue	($5,952,465)	($2,976,233)	$2,667,585	$5,313,124
MCTF	($8,129,544)	($4,064,772)	$3,643,240	$7,256,371

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 37b

Proposal Name:	Eliminate/Reduce Nursing Home Bed Hold Days
Brief Description of Proposal:	Savings associated with eliminating nursing home bed hold days or limiting to four days instead of eight. Analysis should show savings at 85 percent occupancy rates.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	07/01/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	$12,569,495 for limiting to 4 days at 85% occupancy
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.		• Receive approval for State Plan Amendment • Promulgate rule for a revised Nursing Facility Services Coverage and Limitations Handbook • Modify the Florida Medicaid Management Information System to accommodate reimbursement change Provider notification
II. Will this proposal require a change in Florida Statute?	No	There is no Florida Statute specifying the maximum number of days a nursing home may be paid for bed hold days.
III. Will this proposal require a State Plan Amendment?	Yes	Minimum of 90 days for approval. State Plan Amendment can be made retroactively effective.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Promulgate rule for a revised Nursing Facility Services Coverage and Limitations Handbook, which would take a minimum of 120 days.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	This was proposed last year.
IX. Is this proposal included in the current Governors recommendations?		

Medicaid Impact Conference Issues

January 11, 2012

Analysis: **Issue # 37b Cont.**

Lead Analyst:	Susan Rinaldi, Program Analyst, Bureau of Medicaid Services
Secondary Analyst:	Stephen Russell, Medicaid Program Finance
Assumptions (Data source and methodology):	Data Source: budget projections, post estimating conf (Jan-4th-2012) and Medicaid cost report data.
FY Impacted by Implementation:	2012-2013
Date Analysis Completed:	01/09/2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**$12,569,495**		
General Revenue:	**$5,313,124**		
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**$7,256,371**		
Refugee Assistance Trust Fund:	**($0)**		**($0)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 11, 2012

Work Papers/Notes/Comments: **Issue # 37b Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Current Situation:
When the occupancy rate of a nursing facility is 95 percent or greater, Medicaid may pay a nursing home to hold a recipient's bed for up to eight days while the individual is temporarily discharged to a hospital. There is no federal regulation that mandates Medicaid pay nursing home bed hold days.

Pros:
The state would realize savings if Medicaid eliminated payments to nursing homes for hospital bed hold days, or if the number of allowed hospital hold days was limited to four days instead of eight days.

Cons:
When Medicaid does not pay a nursing home to hold a bed while a recipient is temporarily discharged from the facility, there is no federal or state regulation that precludes a facility from placing someone else in the recipient's vacant bed or requires a facility to readmit a recipient to the same bed previously occupied by the recipient. If the nursing home fills a bed vacant because a Medicaid recipient was temporarily discharged from the nursing home, federal regulations do require that the facility admit the recipient to the first available bed upon discharge from the hospital.

Patient advocates would be concerned that placing a patient in an unfamiliar nursing facility could compound the trauma of being hospitalized, and may reduce quality of care by placing the patient in a facility unfamiliar with the patient's individual needs.

Industry Concerns:
Nursing home providers would not support eliminating Medicaid payment for hospital bed hold days or limiting hospital bed hold days to four instead of eight days.

Implementation Requirement:
- Revise State Plan Amendment
- Modify the Florida Medicaid Management Information System to accommodate reimbursement change
- Promulgate rule for a revised Nursing Facility Services Coverage and Limitations Handbook
- Provider notification

Medicaid Impact Conference Issues

January 11, 2012

Issue # 37b Cont.

	Eliminate Current Hold Day Costs *	Reduce From 8 to 4 Hold Days 95% Occupancy	90% Occupancy	85% Occupancy
Nursing Homes				
Total	($14,082,009)	($7,041,005)	$6,310,825	$12,569,495
General Revenue	($5,952,465)	($2,976,233)	$2,667,585	$5,313,124
MCTF	($8,129,544)	($4,064,772)	$3,643,240	$7,256,371

Medicaid Impact Conference Issues

January 11, 2012

Proposal: Issue # 37c

Proposal Name:	Eliminate/Reduce Nursing Home Bed Hold Days
Brief Description of Proposal:	Savings associate with eliminating nursing home bed hold days.
Proposed State Fiscal Year: 00/00	12/13
Proposed Start Date: 00/00/0000	07/01/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	($14,082,009)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.		• Receive approval for State Plan Amendment • Promulgate rule for a revised Nursing Facility Services Coverage and Limitations Handbook • Modify the Florida Medicaid Management Information System to accommodate reimbursement change Provider notification
II. Will this proposal require a change in Florida Statute?	No	There is no Florida Statute specifying the maximum number of days a nursing home may be paid for bed hold days.
III. Will this proposal require a State Plan Amendment?	Yes	Minimum of 90 days for approval. State Plan Amendment can be made retroactively effective.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Promulgate rule for a revised Nursing Facility Services Coverage and Limitations Handbook, which would take a minimum of 120 days.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	This was proposed last year.
IX. Is this proposal included in the current Governors recommendations?		

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 37c Cont.**

Lead Analyst:	Susan Rinaldi, Program Analyst, Bureau of Medicaid Services
Secondary Analyst:	Stephen Russell, Medicaid Program Finance
Assumptions (Data source and methodology):	Data Source: budget projections, post estimating conf (Jan-4th-2012) and Medicaid cost report data.
FY Impacted by Implementation:	2012-2013
Date Analysis Completed:	01/18/2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($14,082,009)**		
General Revenue:	**($5,952,465)**		
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**($8,129,544)**		
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 37c Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Current Situation:
When the occupancy rate of a nursing facility is 95 percent or greater, Medicaid may pay a nursing home to hold a recipient's bed for up to eight days while the individual is temporarily discharged to a hospital. There is no federal regulation that mandates Medicaid pay nursing home bed hold days.

Pros:
The state would realize savings if Medicaid eliminated payments to nursing homes for hospital bed hold days, or if the number of allowed hospital hold days was limited to four days instead of eight days.

Cons:
When Medicaid does not pay a nursing home to hold a bed while a recipient is temporarily discharged from the facility, there is no federal or state regulation that precludes a facility from placing someone else in the recipient's vacant bed or requires a facility to readmit a recipient to the same bed previously occupied by the recipient. If the nursing home fills a bed vacant because a Medicaid recipient was temporarily discharged from the nursing home, federal regulations do require that the facility admit the recipient to the first available bed upon discharge from the hospital.

Patient advocates would be concerned that placing a patient in an unfamiliar nursing facility could compound the trauma of being hospitalized, and may reduce quality of care by placing the patient in a facility unfamiliar with the patient's individual needs.

Industry Concerns:
Nursing home providers would not support eliminating Medicaid payment for hospital bed hold days or limiting hospital bed hold days to four instead of eight days.

Implementation Requirement:
- Revise State Plan Amendment
- Modify the Florida Medicaid Management Information System to accommodate reimbursement change
- Promulgate rule for a revised Nursing Facility Services Coverage and Limitations Handbook
- Provider notification

Medicaid Impact Conference Issues

January 13, 2012

Issue # 37c Cont.

	Eliminate Current Hold Day Costs *	Reduce From 8 to 4 Hold Days 95% Occupancy	90% Occupancy	85% Occupancy
Nursing Homes				
Total	($14,082,009)	($7,041,005)	$6,310,825	$12,569,495
General Revenue	($5,952,465)	($2,976,233)	$2,667,585	$5,313,124
MCTF	($8,129,544)	($4,064,772)	$3,643,240	$7,256,371

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 38a

Proposal Name:	Eliminate/Reduce ICF/DD Bed Hold Days
Brief Description of Proposal:	Savings associated with eliminating ICF/DD bed hold days or limiting to four days instead of fifteen (original proposal description stated bed hold days are currently at a maximum of eight days, which is inaccurate). Analysis should show savings at 90 percent occupancy rates.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	07/01/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	($78,522) for limiting to 4 days at 90% occupancy
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.		• State Plan Amendment: 90-180 days • Adopt revised rules; minimum of 120 days • Provider Notification: 60 days File Maintenance: FMMIS programming for changes in reimbursement to providers: 30-60 days
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	State Plan Section 4.19 (C) would need to be amended.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Existing handbook promulgated as rule would need to be amended.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	This was proposed last year.
IX. Is this proposal included in the current Governors recommendations?		

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 38a Cont.**

Lead Analyst:	Rydell Samuel, Medicaid Program Analysis
Secondary Analyst:	Stephen Russell, Medicaid Program Finance
Assumptions (Data source and methodology):	SSEC January 4, 2012; cost reports
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	01/09/2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**($0)**
Total (Savings) Cost of Proposal:	**($78,522)**		**($0)**
General Revenue:	**($33,191)**		**($0)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($45,331)**		**($0)**
Refugee Assistance Trust Fund:	**($0)**		**($0)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Work Papers/Notes/Comments: **Issue # 38a Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Background

Bed hold days are prescribed in the Code of Federal Regulations at 42 CFR 447.40 and in the State Plan in Section 4.19 (c). A bed hold day is Medicaid paying providers to reserve a bed for up to 15 days for each ICF/DD resident who leaves the facility for a medically necessary hospitalization, including acute care or therapeutic leave. Per the State Plan (the State Medicaid Agency's contract with the Centers for Medicare and Medicaid) and per Florida Rule as promulgated in the ICF/DD handbook, ICF/DDs must reserve temporarily vacant beds for 15 consecutive days unless there is written notification stating that the recipient will not return to the facility. Residents of ICF/DDs quite often require brief absences but intend to return to the ICF in order to maintain continuity of care.

Policy Analysis

From the Medicaid Consumer Perspective:

Some Intermediate Care Facilities have high occupancy rates. If these high occupancy facilities are in areas of the state with few other facility options, the temporarily absent Medicaid recipient would not be provided continued care in the same facility upon their return from treatment. For example, in the county of Okaloosa, there is one ICF/DD facility that accepts females; it currently has only one vacancy. If a female resident were to leave for a medically necessary procedure and then return to the ICF facility and her bed was taken while she was away (and the provider would have an incentive to fill the vacancy right away without bed hold day payments), her only alternative would be institutionalization in a nursing home or another ICF/DD if available, which may or may not be nearby her family or in her community.

If bed hold days were reduced to four days, the same result would occur if the resident required a stay outside of the ICF/DD for treatment or hospitalization that lasted longer than four days; often residents of ICF/DDs have medically complex issues and require longer absences than four days.

Some areas in the state have high vacancy rates, and therefore the impact on Medicaid consumers there would be low to none. There are a total of 71 vacancies in the private ICF/DDs across the state.

From the Provider Perspective:

Decreasing or eliminating bed hold days would impact the providers due to the reduction of reimbursement.

Medicaid Impact Conference Issues

January 13, 2012

Issue # 38a Cont.

	Eliminate Current Hold Day Costs *	Reduce From 15 to 4 Hold Days 95% Occupancy	90% Occupancy	85% Occupancy
ICFDD (annualized)				
Total	($1,203,994)	($300,999)	($78,522)	($13,088)
General Revenue	($508,928)	($127,232)	($33,191)	($5,532)
MCTF	($695,066)	($173,767)	($45,331)	($7,556)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 38b

Proposal Name:	Eliminate/Reduce ICF/DD Bed Hold Days
Brief Description of Proposal:	Savings associated with eliminating ICF/DD bed hold days or limiting to four days instead of fifteen (original proposal description stated bed hold days are currently at a maximum of eight days, which is inaccurate). Analysis should show savings at 85 percent occupancy rates.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	07/01/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	($13,088) to limit to 4 days at 85% occupancy
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.		• State Plan Amendment: 90-180 days • Adopt revised rules; minimum of 120 days • Provider Notification: 60 days File Maintenance: FMMIS programming for changes in reimbursement to providers: 30-60 days
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	State Plan Section 4.19 (C) would need to be amended.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Existing handbook promulgated as rule would need to be amended.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	This was proposed last year.
IX. Is this proposal included in the current Governors recommendations?		

Medicaid Impact Conference Issues

January 11, 2012

Analysis: **Issue # 38b Cont.**

Lead Analyst:	Rydell Samuel, Medicaid Program Analysis
Secondary Analyst:	Stephen Russell, Medicaid Program Finance
Assumptions (Data source and methodology):	SSEC January 4, 2012; cost reports
FY Impacted by Implementation:	2012-2013
Date Analysis Completed:	01/09/2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($13,088)**		
General Revenue:	**($5,532)**		
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**($7,556)**		
Refugee Assistance Trust Fund:	**($0)**		**($0)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Work Papers/Notes/Comments: **Issue # 38b Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Background

Bed hold days are prescribed in the Code of Federal Regulations at 42 CFR 447.40 and in the State Plan in Section 4.19 (c). A bed hold day is Medicaid paying providers to reserve a bed for up to 15 days for each ICF/DD resident who leaves the facility for a medically necessary hospitalization, including acute care or therapeutic leave. Per the State Plan (the State Medicaid Agency's contract with the Centers for Medicare and Medicaid) and per Florida Rule as promulgated in the ICF/DD handbook, ICF/DDs must reserve temporarily vacant beds for 15 consecutive days unless there is written notification stating that the recipient will not return to the facility. Residents of ICF/DDs quite often require brief absences but intend to return to the ICF in order to maintain continuity of care.

Policy Analysis

From the Medicaid Consumer Perspective:

Some Intermediate Care Facilities have high occupancy rates. If these high occupancy facilities are in areas of the state with few other facility options, the temporarily absent Medicaid recipient would not be provided continued care in the same facility upon their return from treatment. For example, in the county of Okaloosa, there is one ICF/DD facility that accepts females; it currently has only one vacancy. If a female resident were to leave for a medically necessary procedure and then return to the ICF facility and her bed was taken while she was away (and the provider would have an incentive to fill the vacancy right away without bed hold day payments), her only alternative would be institutionalization in a nursing home or another ICF/DD if available, which may or may not be nearby her family or in her community.

If bed hold days were reduced to four days, the same result would occur if the resident required a stay outside of the ICF/DD for treatment or hospitalization that lasted longer than four days; often residents of ICF/DDs have medically complex issues and require longer absences than four days.

Some areas in the state have high vacancy rates, and therefore the impact on Medicaid consumers there would be low to none. There are a total of 71 vacancies in the private ICF/DDs across the state.

From the Provider Perspective:

Decreasing or eliminating bed hold days would impact the providers due to the reduction of reimbursement.

Medicaid Impact Conference Issues

January 11, 2012

	Eliminate Current Hold Day Costs *	Reduce From 15 to 4 Hold Days 95% Occupancy	90% Occupancy	85% Occupancy
ICFDD (annualized)				
Total	($1,203,994)	($300,999)	($78,522)	($13,088)
General Revenue	($508,928)	($127,232)	($33,191)	($5,532)
MCTF	($695,066)	($173,767)	($45,331)	($7,556)

Medicaid Impact Conference Issues

January 11, 2012

Proposal: Issue # 38c

Proposal Name:	Eliminate/Reduce ICF/DD Bed Hold Days
Brief Description of Proposal:	Savings associated with eliminating ICF/DD bed hold days.
Proposed State Fiscal Year: 00/00	12/13
Proposed Start Date: 00/00/0000	07/01/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	($1,203,994)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.		• State Plan Amendment: 90-180 days • Adopt revised rules; minimum of 120 days • Provider Notification: 60 days File Maintenance: FMMIS programming for changes in reimbursement to providers: 30-60 days
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	State Plan Section 4.19 (C) would need to be amended.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Existing handbook promulgated as rule would need to be amended.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	This was proposed last year.
IX. Is this proposal included in the current Governors recommendations?		

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 38c Cont.**

Lead Analyst:	Rydell Samuel, Medicaid Program Analysis
Secondary Analyst:	Stephen Russell, Medicaid Program Finance
Assumptions (Data source and methodology):	
FY Impacted by Implementation:	2012-2013
Date Analysis Completed:	01/18/2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($1,203,994)**		
General Revenue:	**($508,928)**		
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**($695,066)**		
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Work Papers/Notes/Comments: **Issue # 38c Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Background

Bed hold days are prescribed in the Code of Federal Regulations at 42 CFR 447.40 and in the State Plan in Section 4.19 (c). A bed hold day is Medicaid paying providers to reserve a bed for up to 15 days for each ICF/DD resident who leaves the facility for a medically necessary hospitalization, including acute care or therapeutic leave. Per the State Plan (the State Medicaid Agency's contract with the Centers for Medicare and Medicaid) and per Florida Rule as promulgated in the ICF/DD handbook, ICF/DDs must reserve temporarily vacant beds for 15 consecutive days unless there is written notification stating that the recipient will not return to the facility. Residents of ICF/DDs quite often require brief absences but intend to return to the ICF in order to maintain continuity of care.

Policy Analysis

From the Medicaid Consumer Perspective:

Some Intermediate Care Facilities have high occupancy rates. If these high occupancy facilities are in areas of the state with few other facility options, the temporarily absent Medicaid recipient would not be provided continued care in the same facility upon their return from treatment. For example, in the county of Okaloosa, there is one ICF/DD facility that accepts females; it currently has only one vacancy. If a female resident were to leave for a medically necessary procedure and then return to the ICF facility and her bed was taken while she was away (and the provider would have an incentive to fill the vacancy right away without bed hold day payments), her only alternative would be institutionalization in a nursing home or another ICF/DD if available, which may or may not be nearby her family or in her community.

If bed hold days were reduced to four days, the same result would occur if the resident required a stay outside of the ICF/DD for treatment or hospitalization that lasted longer than four days; often residents of ICF/DDs have medically complex issues and require longer absences than four days.

Some areas in the state have high vacancy rates, and therefore the impact on Medicaid consumers there would be low to none. There are a total of 71 vacancies in the private ICF/DDs across the state.

From the Provider Perspective:

Decreasing or eliminating bed hold days would impact the providers due to the reduction of reimbursement.

Medicaid Impact Conference Issues

January 13, 2012

Issue # 38c Cont.

	Eliminate Current Hold Day Costs *	Reduce From 15 to 4 Hold Days 95% Occupancy	90% Occupancy	85% Occupancy
ICFDD (annualized)				
Total	($1,203,994)	($300,999)	($78,522)	($13,088)
General Revenue	($508,928)	($127,232)	($33,191)	($5,532)
MCTF	($695,066)	($173,767)	($45,331)	($7,556)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 40

Proposal Name:	Revise FQHC Billing Requirements
Brief Description of Proposal:	Allow for more than one billing for services per day in FQHCs.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	October 2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	To be determined
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	N/A	State Plan and administrative rule (handbook) change completed by 3/30/2012. Approximately 90 days to complete FMMIS changes.
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	The SPA will need changes made to reflect the changed visit limitations and new methodology for payment of the second and third visit.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	The administrative rule will need to be revised and routed through the rule process to reflect the changed visit limitations and new methodology for payment of the second and third visit.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Completed by Medicaid Program Analysis regarding fiscal impact. Revisions required per legislative committees.
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13 2012

Analysis: **Issue # 40 Cont.**

Lead Analyst:	Kathy Canfield, Medicaid Services
Secondary Analyst:	Rydell Samuel
Assumptions (Data source and methodology):	Workplan has been established for various activities to occur for this issue. These include handbook changes, working with FQHC representatives, FMMIS changes, reimbursement plan and rate changes, and state plan amendments to be approved by federal CMS.
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($0)**		
General Revenue:	**($0)**		
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**($0)**		
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Work Papers/Notes/Comments:

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Date	Activity
December 2011	State plan and rule reviewed to determine potential changes needed. Notice of proposed rule submitted on 12/14/2011. Conference call held with CMS 12/19/11. CMS indicated that in using the PPS encounter rate, the rate is all inclusive and only one encounter can be reimbursed. Florida can, however, develop an alternative payment methodology which would allow for payment for more than one encounter. Met with FQHC representatives on 01/09/2012 to discuss options and next steps.

Medicaid Impact Conference Issues

January 13 2012

Proposal: Issue # 42

Proposal Name:	Revise RHC billing requirements
Brief Description of Proposal:	Allow for more than one billing for services per day in FQHCs.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	October 2012
If not July 1, start date; please explain.	Process and changes for FQHCs will also apply to this RHC issue.
Total Cost/(Savings)/{Revenue}:	To be determined
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	N/A	At least 90 days to complete a system CSR. At least 120 days to make a State Plan amendment. At least 180 days to complete a rule amendment process.
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	The SPA will need changes made to reflect the changed visit limitations and new methodology for payment of the second and third visit.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	The administrative rule will need to be revised and routed through the rule process to reflect the changed visit limitations and new methodology for payment of the second and third visit.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Completed by Medicaid Program Analysis regarding fiscal impact. Revisions required per legislative committees.
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 42 Cont.**

Lead Analyst:	Kathy Canfield, Medicaid Services
Secondary Analyst:	Rydell Samuel
Assumptions (Data source and methodology):	Workplan has been established for various activities to occur for this issue. These include handbook changes, working with FQHC representatives, FMMIS changes, reimbursement plan and rate changes, and state plan amendments to be approved by federal CMS.
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($0)**	**($0)**	**($0)**
General Revenue:	**($0)**	**($0)**	**($0)**
Administrative Trust Fund:	**($0)**	**($0)**	**($0)**
Medical Health Care Trust Fund:	**($0)**	**($0)**	**($0)**
Refugee Assistance Trust Fund:	**($0)**	**($0)**	**($0)**
Tobacco Settlement Trust fund:	**($0)**	**($0)**	**($0)**
Grants and Donation Trust Fund:	**($0)**	**($0)**	**($0)**
Public Medical Assistance Trust Fund:	**($0)**	**($0)**	**($0)**
Other State Funds:	**($0)**	**($0)**	**($0)**

Work Papers/Notes/Comments:

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 43a

Proposal Name:	Provide an estimate of the savings of limiting Medically Needy for non-pregnant adults to physician services only (2010 Senate proposal).
Brief Description of Proposal:	Limit Medicaid coverage to **physician services only** for Medically Needy adults (age 21 and over) who are not pregnant.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	04/01/2013
If not July 1, start date; please explain.	System changes are needed to FMMIS to limit services for Medically Needy. Approval of Medicaid State Plan amendment needed; requires handbook updates through administrative rule changes.
Total Cost/(Savings)/{Revenue}:	($226,755,532)
Bureau(s) Responsible for Administration:	Medicaid Services Medicaid Contract Management for oversight of FMMIS changes

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	May 2013 to allow for : 1. rule promulgation (handbooks), 2. state plan amendment and FMMIS system changes 3. Amendments to peer review contracts which review for services currently covered for Medically Needy adults that won't be covered if services are limited to physician services only 4. Changes to FMMIS to limit service coverage for non-pregnant Medically Needy adults. System changes should be able to be implemented by May 2013. • Change to limit services to physician services only for the non-pregnant adults; • Indicator in FMMIS from FL to identify Medically Needy pregnant women. (Pregnant woman can be in any Med Needy aid category, therefore best to have indicator to indicate pregnancy; this will require changes to DCF FLORIDA system to transmit pregnancy indicator to FMMIS and for FMMIS to carry indicator.)
II. Will this proposal require a change in Florida Statute?	Yes	Yes. 409.904(2), F.S. (clear definition of what constitutes physician services would be needed as well). Pregnant woman would have to include the 2 month post-partum period or a federal waiver would be required to limit services for

		women in the 2 month post-partum period to physician services only. It is assumed the Medically Needy adult recipients who are eligible for physician services only would not be enrolled in managed care; if this is the case, the sections of the statute enrolling Medically Needy in managed care would need to be amended as well (409.965, F.S. would have to include Medically Needy adults as exempt from Managed Care enrollment and 409.972, F.S. would need to be amended to exclude Medically Needy adults eligible for physician services only from managed care enrollment.)
III. Will this proposal require a State Plan Amendment?	Yes	Section 3.1 of the Medicaid State Plan, pages 20, 20a, 20b, 20c, and 22, Attachment 3.1-B must be amended to identify what services are provided to pregnant women and children and what services are provided to adults. State Plan amendment process may take from 3 to 6 months.
IV. Will this require the Procurement Process?		No
V. Will this proposal require an administrative rule?	Yes	Since State Statute takes precedence over administrative rule, could possibly implement before handbooks/administrative rule process is completed.. Administrative rule process takes a minimum of 120 days.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No – as long as pregnant woman includes the post-partum period	Under Medically Needy, Medicaid must, at a minimum, provide prenatal and delivery services for pregnant women and during the pregnant woman's 2 month postpartum coverage period, provide services that are necessary for the health and well-being of the pregnant woman or that have become necessary as a result of her having been pregnant. These must include but are not limited to postpartum care and family planning services. For any other Medically Needy recipients, Medicaid must provide at least one ambulatory service (for example, prescription coverage).
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Yes (part of other impact conference proposal in 2010); Agency reduction issue.
IX. Is this proposal included in the current Governors recommendations?	Partial	Governor's budget proposes keeping hospital (inpatient and outpatient), physician, and drugs for Medically Needy (a $48 million cut for other services).

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 43a Cont.**

Lead Analyst:	Martha Crabb
Secondary Analyst:	Fred Roberson
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**3**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($226,755,532)**		**($907,022,129)**
General Revenue:	**($90,498,779)**		**($361,995,115)**
Administrative Trust Fund:			
Medical Health Care Trust Fund:	**($116,682,894)**		**($466,731,576)**
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($19,573,860)**		**($78,295,438)**
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 43a Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Limitation of services to physician services only for Medically Needy non-pregnant adults means that other services such as inpatient hospital, drugs, lab, x-ray and other services will not be covered by Medicaid. This change could adversely impact an individual's health as well as create uncompensated care for hospitals and other service providers whose services would no longer be covered by Medicaid.

Annualized	BASE	CUT MN ONLY	Add back PS or MN	Final Cut
TOTAL COST	$1,228,243,344	($1,029,934,731)	$122,912,602	($907,022,129)
TOTAL GENERAL REVENUE	$492,957,292	($413,950,271)	$51,955,156	($361,995,115)
TOTAL MEDICAL CARE TRUST FUND	$642,901,792	($537,689,022)	$70,957,446	($466,731,576)
TOTAL REFUGEE ASSISTANCE TF	$0	$0	$0	$0
TOTAL PUBLIC MEDICAL ASSIST TF	$0	$0	$0	$0
TOTAL OTHER STATE FUNDS	$0	$0	$0	$0
TOTAL GRANTS & DONATIONS TF	$92,384,260	($78,295,438)	$0	($78,295,438)
TOTAL HEALTH CARE TF	$0	$0	$0	$0
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0	$0

	9 MONTH LAPSE
TOTAL COST	($226,755,532)
TOTAL GENERAL REVENUE	($90,498,779)
TOTAL MEDICAL CARE TRUST FUND	($116,682,894)
TOTAL REFUGEE ASSISTANCE TF	$0
TOTAL PUBLIC MEDICAL ASSIST TF	$0
TOTAL OTHER STATE FUNDS	$0
TOTAL GRANTS & DONATIONS TF	($19,573,860)
TOTAL HEALTH CARE TF	$0
TOTAL TOBACCO SETTLEMENT TF	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 43b

Proposal Name:	Provide an estimate of the savings of limiting Medically Needy for non-pregnant adults to physician services only (2010 Senate proposal).
Brief Description of Proposal:	Limit Medicaid coverage to Medically Needy adults (age 21 and over). This issue is calculated to be consistent with the Governor's Recommendations for this eligibility group.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	04/01/2013
If not July 1, start date; please explain.	System changes are needed to FMMIS to limit services for Medically Needy. Approval of Medicaid State Plan amendment needed; requires handbook updates through administrative rule changes.
Total Cost/(Savings)/{Revenue}:	($13,782,545)
Bureau(s) Responsible for Administration:	Medicaid Services Medicaid Contract Management for oversight of FMMIS changes

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	May 2013 to allow for : 5. rule promulgation (handbooks), 6. state plan amendment and FMMIS system changes 7. Amendments to peer review contracts which review for services currently covered for Medically Needy adults that won't be covered if services are limited to physician, inpatient, outpatient and drugs. 8. Changes to FMMIS to limit service coverage for non-pregnant Medically Needy adults. System changes should be able to be implemented by May 2013. • Change to limit services to non-pregnant adults; • Indicator in FMMIS from FL to identify Medically Needy pregnant women. (Pregnant woman can be in any Med Needy aid category, therefore best to have indicator to indicate pregnancy; this will require changes to DCF FLORIDA system to transmit pregnancy indicator to FMMIS and for FMMIS to carry indicator.)
II. Will this proposal require a change in Florida Statute?	Yes	Yes. 409.904(2), F.S. (clear definition of what constitutes physician services would be needed as well). Pregnant woman would have to include the 2 month post-partum period or a federal waiver would be required to limit services for

		women in the 2 month post-partum period to limited services only. It is assumed the Medically Needy adult recipients who are eligible for limited services only would not be enrolled in managed care; if this is the case, the sections of the statute enrolling Medically Needy in managed care would need to be amended as well (409.965, F.S. would have to include Medically Needy adults as exempt from Managed Care enrollment and 409.972, F.S. would need to be amended to exclude Medically Needy adults eligible for physician services only from managed care enrollment.)
III. Will this proposal require a State Plan Amendment?	Yes	Section 3.1 of the Medicaid State Plan, pages 20, 20a, 20b, 20c, and 22, Attachment 3.1-B must be amended to identify what services are provided to pregnant women and children and what services are provided to adults. State Plan amendment process may take from 3 to 6 months.
IV. Will this require the Procurement Process?		No
V. Will this proposal require an administrative rule?	Yes	Since State Statute takes precedence over administrative rule, could possibly implement before handbooks/administrative rule process is completed.. Administrative rule process takes a minimum of 120 days.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No – as long as pregnant woman includes the post-partum period	Under Medically Needy, Medicaid must, at a minimum, provide prenatal and delivery services for pregnant women and during the pregnant woman's 2 month postpartum coverage period, provide services that are necessary for the health and well-being of the pregnant woman or that have become necessary as a result of her having been pregnant. These must include but are not limited to postpartum care and family planning services. For any other Medically Needy recipients, Medicaid must provide at least one ambulatory service (for example, prescription coverage).
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Yes (part of other impact conference proposal in 2010); Agency reduction issue.
IX. Is this proposal included in the current Governors recommendations?	Yes	Governor's budget proposes keeping hospital (inpatient and outpatient), physician, and drugs for Medically Needy.

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 43b Cont.**

Lead Analyst:	Martha Crabb
Secondary Analyst:	Fred Roberson
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**3**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($13,782,545)**		**($55,130,178)**
General Revenue:	**($5,751,456)**		**($23,005,825)**
Administrative Trust Fund:			
Medical Health Care Trust Fund:	**($8,031,089)**		**($32,124,353)**
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($19,573,860)**		**($78,295,438)**
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**$19,573,860**		**$78,295,438**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 43b Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Governor's recommendation limits services to inpatient, outpatient, physician and drugs only for Medically Needy non-pregnant adults means that other services will not be covered by Medicaid. This change could adversely impact an individual's health as well as create uncompensated care for hospitals and other service providers whose services would no longer be covered by Medicaid.

	BASE	CUT MN ONLY	Add Back Physician, Inpatient, Outpatient, Rx	Annualized Cost Savings
TOTAL COST	$1,228,243,344	($1,029,934,731)	$974,804,553	($55,130,178)
TOTAL GENERAL REVENUE	$492,957,292	($413,950,271)	$390,944,446	($23,005,825)
TOTAL MEDICAL CARE TRUST FUND	$642,901,792	($537,689,022)	$505,564,669	($32,124,353)
TOTAL REFUGEE ASSISTANCE TF	$0	$0	$0	$0
TOTAL PUBLIC MEDICAL ASSIST TF	$0	$0	$0	$0
TOTAL OTHER STATE FUNDS	$0	$0	$78,295,438	$78,295,438
TOTAL GRANTS & DONATIONS TF	$92,384,260	($78,295,438)	$0	($78,295,438)
TOTAL HEALTH CARE TF	$0	$0	$0	$0
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0	$0

	9 Month Lapse
TOTAL COST	($13,782,545)
TOTAL GENERAL REVENUE	($5,751,456)
TOTAL MEDICAL CARE TRUST FUND	($8,031,089)
TOTAL REFUGEE ASSISTANCE TF	$0
TOTAL PUBLIC MEDICAL ASSIST TF	$0
TOTAL OTHER STATE FUNDS	$19,573,860
TOTAL GRANTS & DONATIONS TF	($19,573,860)
TOTAL HEALTH CARE TF	$0
TOTAL TOBACCO SETTLEMENT TF	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 44a

Proposal Name:	Limitation on MediPass
Brief Description of Proposal:	Elimination of the MediPass Program in counties with 2 or more managed care plans. Change only applied to mandatory populations. Assume IGT contributions are used to support capitated health plan payments to hospitals in affected counties.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	11/01/2012
If not July 1, start date; please explain.	The law eliminating the MediPass Program in counties with 2 or more managed care plans will require at least 6 months implementing.
Total Cost/(Savings)/{Revenue}:	($16,027,525)
Bureau(s) Responsible for Administration:	HSD, MCM, BMHC

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes – a 12-month phase-in with the process starting 11/01/2012	To implement under **non-reform waiver**, the Agency would need to allow for a 12 month phase-in period. The Agency would need to: • Ensure choice of managed care plans as required by federal regulations by confirming at least 2 managed care plans are available by in each transition county. Currently, **31 counties** have at least 2 managed care plans as defined in s. 409.9122, F.S., and the capacity to transition the mandatory population. • Submit phase-in plan to federal CMS along with a waiver amendment to the 1915(b) Managed Care Waiver. The expansion cannot be implemented until federal CMS approves the amendment. Federal CMS has two 90 day periods to review and approve the waiver amendment once submitted. • Implement fiscal agent systems changes. • Confirm sufficient plan provider network capacity in expansion counties. • Amend managed care contracts to include geographic expansion, benefit package and capitation rate. • Provide written notification of transition to all impacted beneficiaries (Federal requirement of 90 days), providers and stakeholders and provide choice period to all impacted beneficiaries.

		• Provide outreach to beneficiaries, providers and all impacted stakeholders as necessary. • Possibly terminate contracts with MediPass providers (30 day notice required) • Confirm sufficient Medicaid Options resources are available (call center and field staff). To implement under a **1932 State Plan amendment** the agency would need to submit a state plan amendment to federal CMS for approval. If the 1932 option is used to implement, the 1915(b) waiver would also have to be amended. The Agency would need to allow or a 12-month phase in period. The Agency would need to: • 1932 SPA can only be used to operate PCCM and capitated MCO and serve only managed care mandatory populations. • Time period for approval of a state plan amendment includes two 90 day federal review periods and one 90 day period for the state to respond to all federal requests for additional information. • Submit the phase-in plan to federal CMS • Ensure choice of managed care plans as required by federal regulations by confirming at least 2 managed care plans are available by in each transition county. Currently, **31 counties** have at least 2 managed care plans as defined in s. 409.9122, F.S., and the capacity to transition the mandatory population. If at any time the number of plans is fewer than two, FFS will have to be made available as a choice for all enrollees. • Implement fiscal agent systems changes. • Confirm sufficient plan provider network capacity in expansion counties. • Amend managed care contracts to include geographic expansion, benefit package and capitation rate. • Provide written notification of transition to all impacted beneficiaries (Federal requirement of 90 days), providers and stakeholders and provide choice period to all impacted beneficiaries. • Provide outreach to beneficiaries, providers and all

		impacted stakeholders as necessary. • Possibly terminate contracts with MediPass providers (30 day notice required) • Confirm sufficient Medicaid Options resources are available (call center and field staff). • Cost effectiveness of the 1915(b) waiver may be impacted. To implement under **1115 reform waiver**, the Agency would need to amend the current waiver, as approved Dec, 2011. If the 1115 Reform Waiver were used to implement, the 1915(b) waiver would also have to be amended. The Agency would need to allow for a 12 month phase-in period. The Agency would need to: • Ensure choice of managed care plans as required by federal regulations by confirming at least 2 managed care plans are available by in each transition county. Currently, **31 counties** have at least 2 managed care plans as defined in s. 409.9122, F.S., and the capacity to transition the mandatory population. • Submit the phase-in plan to federal CMS. • Process new and existing reform plan applications for expansion counties. The majority of existing plan applications could be processed in under 6 months. New plan applications may take longer to process depending on the applicant's qualifications and provider network readiness. • Implement fiscal agent system changes. • Confirm sufficient plan capacity in expansion counties. • Amend managed care contracts to include geographic expansion, benefit package and capitation rate changes. • Provide written notification of transition to all impacted beneficiaries (Federally required 90 day notice), providers and stakeholders and provide choice period to all impacted beneficiaries. • Provide outreach to beneficiaries, providers and all impacted stakeholders as necessary. • Possibly terminate contracts with MediPass providers (30 day notice required)

		• Confirm sufficient Choice Counseling resources are available (call center and field staff).
II. Will this proposal require a change in Florida Statute?	Yes	***Geographic Expansion in <u>non-reform areas</u> would require amendments to the following sections:*** • 409.91188, F.S., to remove reference to MediPass in specified counties. • 409.912, F.S., to remove reference to MediPass in specified counties. • 409.912, F.S., to remove reference to revise the Agency's enrollment and disenrollment responsibilities. • 409.9121, F.S., to update legislative findings, intent, and remove reference to MediPass in specified counties. • 409.91211, F.S., to remove reference to MediPass in specified counties. • 409.9122, F.S., to remove reference to MediPass in specified counties, and add new description of the mandatory Medicaid managed care assignment process. • 409.9123, F.S., to remove reference to MediPass in specified counties. ***Additional Information regarding non-reform expansion***: • 409.912, F.S., authorizes the Agency to contract with certain entities to provide select services such as behavioral health care services, dental services, minority physician network services, pediatric emergency room diversion services, and disease management services. The majority of these programs were created as an overlay service to MediPass enrollees. • 409.912(4)(b), F.S., provides that MediPass enrollees are automatically assigned to prepaid mental health plans. If MediPass is removed as an option in counties with 2 or more plans, other statutory changes may need to be considered to allow PMHPs to receive enrollees or to revise the areas where PMHPs operate. • 409.9122(2)(k), F.S., defines the term "managed care plans" to include exclusive provider organizations, provider service networks, Children's Medical Services Network, minority physician networks, and pediatric emergency department diversion programs authorized by

		this chapter or the General Appropriations Act. ***Geographic Expansion of <u>reform areas</u> would require an amendment to section:*** • 409.91211, F.S.
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	No	
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	Yes	For non-reform, see response to item I above. For reform, the Agency would need to submit a phase-in plan to federal CMS for expansion areas. The plan must be designed to ensure smooth transition process for beneficiaries, providers and all stakeholders. Additionally, the 1915(b) waiver would need to be amended.
VII. Will this proposal require additional staffing?	Yes	Any expansion is estimated to require an additional 16 FTEs as well as contract expenses for enrollment broker services.
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Agency 2011 analysis for Committee presentations. This did not factor in any administrative costs. Agency 2010 Impact.
IX. Is this proposal included in the current Governors recommendations?	No	Was not included in Governor's budget released on 12/7/2011

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 44a Cont.**

Lead Analyst:	Tracy Hurd
Secondary Analyst:	Karen Chang
Assumptions (Data source and methodology):	SSEC January 4, 2012. Assumes a 12-month phase-in beginning 11/01/2012. Assumes current projections of IGT contributions for exempt hospitals and buy-backs are maintained and are used to support capitated health plan payments to hospitals in affected counties. Assumes additional 16 FTEs and contract expenses for choice counseling.
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**8**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($16,027,525)**		**($74,647,889)**
General Revenue:	**($6,587,640)**		**($31,262,320)**
Administrative Trust Fund:			
Medical Health Care Trust Fund:	**($9,595,804)**		**($43,295,100)**
Refugee Assistance Trust Fund:	**($82,128)**		**($328,516)**
Health Care Trust fund:	**$238,047**		**$238,047**
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

This issue is estimated to require an additional 16 FTEs, 12 OPS staff, as well as contract expenses for choice counseling. Additional administrative costs are $3,512,331, of which contract costs are estimated to be $1.5 million

Analysis includes these administrative costs.

Transitions

If a plan withdraws from a county with only 2 plans, MediPass would need to be available as a second option to comply with Federal requirements.

Non-reform Expansion

Additional Impact: Programs that were implemented as overlays or enhancements to the MediPass Program in non-reform areas may be impacted by this change. The programs that would be impacted include disease management program, and prepaid mental health plans. To implement this change, the Agency would need to amend the program contracts to reduce the geographic areas served by the program.

At present capitation rates are developed by Medicaid area and not for specific counties. Implementing a transition of recipients eligible for mandatory assignment in certain counties within a Medicaid area and not all counties within a Medicaid area may have impact rate reimbursement and consideration may need to be given to developing rates by counties or including an adjustment for certain counties.

Funding Implications:

Currently, counties submit intergovernmental transfers (IGTs) to help fund the hospital inpatient service line item. The funding is used to support the Low Income Pool and fund the state share of the following issues:

- Remove Hospital Inpatient Reimbursement Ceilings/Teaching, Specialty, CHEP
- Eliminate Inpatient Reimbursement Ceilings-11% Screen
- Eliminate Inpatient Reimbursement Ceilings -Trauma Centers/Medicaid days 7.3%
- Special Medicaid Payments-Liver Transplant Facilities
- Hospital Reimbursement Ceiling Exemption

Counties have a strong incentive to provide intergovernmental transfers (IGTs) to support these payments since there is a direct relationship between the policies funded and fee-for-service payments to these qualifying hospitals. Counties provide local financial support to hospitals that provide a significant amount of Medicaid and uncompensated care. Using these local funds as state match through Medicaid allows local governments to partner with the state, earn federal matching funds and help cover the costs of Medicaid and uncompensated care.

If there is a legislative change to remove the choice of Medipass for Medicaid eligibles subject to mandatory assignment in the 31 counties with 2 or more managed care plans (with capacity to transition mandatory population) resulting in an increase in the penetration of managed care plans, there will be a significant reduction in hospital services for which fee-for-service reimbursement is provided. Counties do not currently contribute funding (IGTs) to the state to help fund capitated managed care plan (the prepaid line item of the Medicaid budget) as they currently do for hospital fee-for–service expenditures.

Medicaid Impact Conference Issues

January 13, 2012

Counties may be reluctant to maintain the same level of IGTs (for FY 2008-09 contributions are estimated at $706 million) to support the state share of hospital inpatient payments when services are shifted from fee-for-service to capitated managed care. The relationship between funding and payments is not direct when services are provided through capitated managed care plans. Counties are concerned that capitated managed care organizations may not use the same hospitals that have historically received fee-for-service payments. In addition, if capitated managed care organizations do use these hospitals, there is no guarantee what payment level or utilization level will materialize.

FY1213 Impact

Impact of increasing Managed care by 98,367

With admin

Total IGT Impact	($23,985,066)	
Total Savings Provided in the Impact Conference	($16,027,525)	
GR per Conference	($6,587,640)	
MCTF	($9,595,804)	
RATF	($82,128)	
Health Care trust fund	$238,047	

Annualized Impact

Impact of increasing Managed care by 393,472

Total IGT Impact	($95,941,238)	
Total Savings Provided in the Impact Conference	($74,647,889)	
GR per Conference	($31,262,320)	
MCTF	($43,295,100)	
RATF	($328,516)	
Health Care trust fund	$238,047	

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 44b

Proposal Name:	Limitation on MediPass
Brief Description of Proposal:	Elimination of the MediPass Program in counties with 2 or more managed care plans. Change only applied to mandatory populations. Assume no IGT contributions are used to support capitated health plan payments to hospitals in affected counties.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	11/01/2012
If not July 1, start date; please explain.	The law eliminating the MediPass Program in counties with 2 or more managed care plans will require at least 6 months implementing.
Total Cost/(Savings)/{Revenue}:	($16,027,525))
Bureau(s) Responsible for Administration:	HSD, MCM, BMHC

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes – a 12-month phase-in with the process starting 11/01/2012	To implement under **non-reform waiver**, the Agency would need to allow for a 12 month phase-in period. The Agency would need to: • Ensure choice of managed care plans as required by federal regulations by confirming at least 2 managed care plans are available by in each transition county. Currently, **31 counties** have at least 2 managed care plans as defined in s. 409.9122, F.S., and the capacity to transition the mandatory population. • Submit phase-in plan to federal CMS along with a waiver amendment to the 1915(b) Managed Care Waiver. The expansion cannot be implemented until federal CMS approves the amendment. Federal CMS has two 90 day periods to review and approve the waiver amendment once submitted. • Implement fiscal agent systems changes. • Confirm sufficient plan provider network capacity in expansion counties. • Amend managed care contracts to include geographic expansion, benefit package and capitation rate. • Provide written notification of transition to all impacted beneficiaries (Federal requirement of 90 days), providers and stakeholders and provide choice period to all impacted beneficiaries. • Provide outreach to beneficiaries, providers and all

		impacted stakeholders as necessary. • Possibly terminate contracts with MediPass providers (30 day notice required) • Confirm sufficient Medicaid Options resources are available (call center and field staff). To implement under a **1932 State Plan amendment** the agency would need to submit a state plan amendment to federal CMS for approval. If the 1932 option is used to implement, the 1915(b) waiver would also have to be amended. The Agency would need to allow or a 12-month phase in period. The Agency would need to: • 1932 SPA can only be used to operate PCCM and capitated MCO and serve only managed care mandatory populations. • Time period for approval of a state plan amendment includes two 90 day federal review periods and one 90 day period for the state to respond to all federal requests for additional information. • Submit the phase-in plan to federal CMS • Ensure choice of managed care plans as required by federal regulations by confirming at least 2 managed care plans are available by in each transition county. Currently, **31 counties** have at least 2 managed care plans as defined in s. 409.9122, F.S., and the capacity to transition the mandatory population. If at any time the number of plans is fewer than two, FFS will have to be made available as a choice for all enrollees. • Implement fiscal agent systems changes. • Confirm sufficient plan provider network capacity in expansion counties. • Amend managed care contracts to include geographic expansion, benefit package and capitation rate. • Provide written notification of transition to all impacted beneficiaries (Federal requirement of 90 days), providers and stakeholders and provide choice period to all impacted beneficiaries. • Provide outreach to beneficiaries, providers and all impacted stakeholders as necessary.

		• Possibly terminate contracts with MediPass providers (30 day notice required) • Confirm sufficient Medicaid Options resources are available (call center and field staff). • Cost effectiveness of the 1915(b) waiver may be impacted. To implement under **1115 reform waiver**, the Agency would need to amend the current waiver, as approved Dec, 2011. If the 1115 Reform Waiver were used to implement, the 1915(b) waiver would also have to be amended. The Agency would need to allow for a 12 month phase-in period. The Agency would need to: • Ensure choice of managed care plans as required by federal regulations by confirming at least 2 managed care plans are available by in each transition county. Currently, **31 counties** have at least 2 managed care plans as defined in s. 409.9122, F.S., and the capacity to transition the mandatory population. • Submit the phase-in plan to federal CMS. • Process new and existing reform plan applications for expansion counties. The majority of existing plan applications could be processed in under 6 months. New plan applications may take longer to process depending on the applicant's qualifications and provider network readiness. • Implement fiscal agent system changes. • Confirm sufficient plan capacity in expansion counties. • Amend managed care contracts to include geographic expansion, benefit package and capitation rate changes. • Provide written notification of transition to all impacted beneficiaries (Federally required 90 day notice), providers and stakeholders and provide choice period to all impacted beneficiaries. • Provide outreach to beneficiaries, providers and all impacted stakeholders as necessary. • Possibly terminate contracts with MediPass providers (30 day notice required) • Confirm sufficient Choice Counseling resources are

		available (call center and field staff).
II. Will this proposal require a change in Florida Statute?	Yes	***Geographic Expansion in <u>non-reform areas</u> would require amendments to the following sections:*** • 409.91188, F.S., to remove reference to MediPass in specified counties. • 409.912, F.S., to remove reference to MediPass in specified counties. • 409.912, F.S., to remove reference to revise the Agency's enrollment and disenrollment responsibilities. • 409.9121, F.S., to update legislative findings, intent, and remove reference to MediPass in specified counties. • 409.91211, F.S., to remove reference to MediPass in specified counties. • 409.9122, F.S., to remove reference to MediPass in specified counties, and add new description of the mandatory Medicaid managed care assignment process. • 409.9123, F.S., to remove reference to MediPass in specified counties. ***Additional Information regarding non-reform expansion***: • 409.912, F.S., authorizes the Agency to contract with certain entities to provide select services such as behavioral health care services, dental services, minority physician network services, pediatric emergency room diversion services, and disease management services. The majority of these programs were created as an overlay service to MediPass enrollees. • 409.912(4)(b), F.S., provides that MediPass enrollees are automatically assigned to prepaid mental health plans. If MediPass is removed as an option in counties with 2 or more plans, other statutory changes may need to be considered to allow PMHPs to receive enrollees or to revise the areas where PMHPs operate. • 409.9122(2)(k), F.S., defines the term "managed care plans" to include exclusive provider organizations, provider service networks, Children's Medical Services Network, minority physician networks, and pediatric emergency department diversion programs authorized by this chapter or the General Appropriations Act.

		Geographic Expansion of <u>reform areas</u> would require an amendment to section: • 409.91211, F.S.
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	No	
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	Yes	For non-reform, see response to item I above. For reform, the Agency would need to submit a phase-in plan to federal CMS for expansion areas. The plan must be designed to ensure smooth transition process for beneficiaries, providers and all stakeholders. Additionally, the 1915(b) waiver would need to be amended.
VII. Will this proposal require additional staffing?	Yes	Any expansion is estimated to require an additional 16 FTEs as well as contract expenses for enrollment broker services.
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Agency 2011 analysis for Committee presentations. This did not factor in any administrative costs. Agency 2010 Impact.
IX. Is this proposal included in the current Governors recommendations?	No	Was not included in Governor's budget released on 12/7/2011

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 44b Cont.**

Lead Analyst:	Tracy Hurd
Secondary Analyst:	Karen Chang
Assumptions (Data source and methodology):	SSEC January 4, 2012. Assumes a 12-month phase-in beginning 11/01/2012. Assumes no IGTs are contributed to support capitated health plan payments to hospitals in affected counties. Assumes additional 16 FTEs and contract expenses for choice counseling.
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**8**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($16,027,525)**		**($74,647,889)**
General Revenue:	**$17,397,426**		**$64,678,918**
Administrative Trust Fund:			
Medical Health Care Trust Fund:	**($9,595,804)**		**($43,295,100)**
Refugee Assistance Trust Fund:	**($82,128)**		**($328,516)**
Health Care Trust fund:	**$238,047**		**$238,047**
Grants and Donation Trust Fund:	**($23,985,066)**		**($95,941,238)**
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

This issue is estimated to require an additional 16 FTEs, 12 OPS staff, as well as contract expenses for choice counseling. Additional administrative costs are $3,512,331, of which contract costs are estimated to be $1.5 million

Analysis includes these administrative costs.

Transitions

If a plan withdraws from a county with only 2 plans, MediPass would need to be available as a second option to comply with Federal requirements.

Non-reform Expansion

Additional Impact: Programs that were implemented as overlays or enhancements to the MediPass Program in non-reform areas may be impacted by this change. The programs that would be impacted include disease management program, and prepaid mental health plans. To implement this change, the Agency would need to amend the program contracts to reduce the geographic areas served by the program.

At present capitation rates are developed by Medicaid area and not for specific counties. Implementing a transition of recipients eligible for mandatory assignment in certain counties within a Medicaid area and not all counties within a Medicaid area may have impact rate reimbursement and consideration may need to be given to developing rates by counties or including an adjustment for certain counties.

Funding Implications:

Currently, counties submit intergovernmental transfers (IGTs) to help fund the hospital inpatient service line item. The funding is used to support the Low Income Pool and fund the state share of the following issues:

- Remove Hospital Inpatient Reimbursement Ceilings/Teaching, Specialty, CHEP
- Eliminate Inpatient Reimbursement Ceilings-11% Screen
- Eliminate Inpatient Reimbursement Ceilings -Trauma Centers/Medicaid days 7.3%
- Special Medicaid Payments-Liver Transplant Facilities
- Hospital Reimbursement Ceiling Exemption

Counties have a strong incentive to provide intergovernmental transfers (IGTs) to support these payments since there is a direct relationship between the policies funded and fee-for-service payments to these qualifying hospitals. Counties provide local financial support to hospitals that provide a significant amount of Medicaid and uncompensated care. Using these local funds as state match through Medicaid allows local governments to partner with the state, earn federal matching funds and help cover the costs of Medicaid and uncompensated care.

If there is a legislative change to remove the choice of Medipass for Medicaid eligibles subject to mandatory assignment in the 31 counties with 2 or more managed care plans (with capacity to transition mandatory population) resulting in an increase in the penetration of managed care plans, there will be a significant reduction in hospital services for which fee-for-service reimbursement is provided. Counties do not currently contribute funding (IGTs) to the state to help fund capitated managed care plan (the prepaid line item of the Medicaid budget) as they currently do for hospital fee-for–service expenditures.

Medicaid Impact Conference Issues

January 13, 2012

Counties may be reluctant to maintain the same level of IGTs to support the state share of hospital inpatient payments when services are shifted from fee-for-service to capitated managed care. The relationship between funding and payments is not direct when services are provided through capitated managed care plans. Counties are concerned that capitated managed care organizations may not use the same hospitals that have historically received fee-for-service payments. In addition, if capitated managed care organizations do use these hospitals, there is no guarantee what payment level or utilization level will materialize.

	FY1213 Impact
Impact of increasing Managed care by	98,367

With admin

Savings Net of IGT Adjustment	($16,027,525)	
GR	$17,397,426	
MCTF	($9,595,804)	
RATF	($82,128)	
GDTF(IGT)	($23,985,066)	
Health Care trust fund	$238,047	

	Annualized Impact
Impact of increasing Managed care by	393,472

Savings Net of IGT Adjustment	($74,647,889)
GR	$64,678,918
MCTF	($43,295,100)
RATF	($328,516)
GDTF(IGT)	($95,941,238)
Health Care trust fund	$238,047

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue #45

Proposal Name:	Retract 20% of dental provider increase and allow fee for service.
Brief Description of Proposal:	Reduce the rate increase provided to pediatric dentistry for FY 2011-2012 by 20% and allow fee-for-service in conjunction with prepaid dental plans
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	10/1/2012
If not July 1, start date; please explain.	The Agency will need time to transition to this new program methodology. Recipients would need to be given a choice period.
Total Cost/(Savings)/{Revenue}:	($8,773,736) ***
Bureau(s) Responsible for Administration:	Bureau of Medicaid Health System Development, Medicaid Services, Program Analysis, Contract Management

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	Rates changes for fee-for-service reimbursement could occur July 1, 2012. However, prepaid dental rates are certified each year for the period September 1 through August 31. Unless a special recalculation is completed, reduced rates to prepaid dental health plans would not take effect before September 1, 2012. Extensive FMMIS reprogramming would be required to allow fee-for-service in addition to prepaid dental plans. The 1915(b) waiver would have to be amended and approved. Cost effectiveness may have to be recalculated. FFS: 120 days – • FMMIS programming to capture changes in reimbursement methodology for dental procedures provided to recipients age 0 to 20. • Revision to Dental General Fee Schedule because this will adversely affect providers, it may be challenged if a rule is not in effect prior to implementation.
II. Will this proposal require a change in Florida Statute?		The statewide PDHP program was established according to proviso language (Specific Appropriation 204 of HB 5001).
III. Will this proposal require a State Plan Amendment?	No	

IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Revision of fee schedule. (FFS)
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	However, the 1915(b) waiver may need to be amended with regard to the prepaid dental program
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

*** The $8.77 million savings may be overstated if recipients opt out of the prepaid dental health plans and go to a CHD/FQHC/RHC, in which case Medicaid would pay the relevant facility encounter rate. This would reduce the savings, but since the extent to which this may occur is unknown at this time, it has not been factored into the analysis.

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 45 Cont.**

Lead Analyst:	Melissa Vergeson and Mary Cerasoli
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**9**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($8,773,736)**		**($11,698,315)**
General Revenue:	**($3,692,332)**		**($4,923,109)**
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**($5,073,657)**		**($6,764,877)**
Refugee Assistance Trust Fund:	**($7,747)**		**($10,329)**
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 45 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Prepaid dental rates are certified each year for the period September 1 through August 31. Unless a special recalculation is completed, reduced rates to prepaid dental health plans would not take effect before September 1, 2012.

It is unclear if the intent is to allow recipients to choose PDHPs or fee-for-service at will or if any auto-assignment to the PDHPs will continue.

Education efforts since the last Session have been focused on explaining the mandatory statewide PDHP to recipients and providers. Based on the current implementation timeline, by June 1 all eligible recipients will be enrolled in a PDHP. Allowing fee-for-service could cause confusion and "whiplash" for recipients and providers. Consideration should also be given to the fact that per HB7107 and HB7109, the statewide PDHP is a bridge program that goes away when the Agency implements the Statewide Medicaid Managed Care Medical Assistance program in October 1, 2014. Because the Statewide Medicaid Managed Care Medical Assistance program covers dental services, recipients in the statewide PDHP will have to transition out of their PDHP and into a medical assistance health plan when one becomes available in their area of residence.

RETRACT 20% OF PEDIATRIC DENTAL FEE INCREASE	ANNUALIZED	3 MONTH LAPSE
TOTAL COST	($11,698,315)	($8,773,736)
TOTAL GENERAL REVENUE	($4,923,109)	($3,692,332)
TOTAL MEDICAL CARE TRUST FUND	($6,764,877)	($5,073,657)
TOTAL REFUGEE ASSISTANCE TF	($10,329)	($7,747)

EPSDT

SCREENING CASELOAD	961,841	961,841	
SCREENING UTILIZATION RATE	8.57%	8.57%	
SCREENING SERVICES PER MONTH	82,408	82,408	
SCREENING UNIT COST	$76.03	$76.03	
SCREENING TOTAL COST	$75,189,364	$75,189,364	
DENTAL CASELOAD	961,841	961,841	
DENTAL UTILIZATION RATE	58.15%	58.15%	
DENTAL SERVICES PER MONTH	559,308	559,308	
DENTAL UNIT COST	$26.87	$25.13	($1.74)
DENTAL TOTAL COST	$180,349,021	$168,650,706	($11,698,315)

Medicaid Impact Conference Issues

January 13, 2012

VISUAL SERVICES CASELOAD	961,841	961,841	
VISUAL SERVICES UTILIZATION RATE	5.85%	5.85%	
VISUAL SERVICES PER MONTH	56,293	56,293	
VISUAL SERVICES UNIT COST	$22.67	$22.67	
VISUAL SERVICES TOTAL COST	$15,312,580	$15,312,580	
HEARING SERVICES CASELOAD	961,841	961,841	
HEARING SERVICES UTILIZATION RATE	0.41%	0.41%	
HEARING SERVICES PER MONTH	3,973	3,973	
HEARING SERVICES UNIT COST	$56.33	$56.33	
HEARING SERVICES TOTAL COST	$2,685,426	$2,685,426	
TOTAL COST	$273,536,391	$261,838,076	($11,698,315)
TOTAL GENERAL REVENUE	$115,504,341	$110,581,232	($4,923,109)
TOTAL MEDICAL CARE TRUST FUND	$157,790,533	$151,025,656	($6,764,877)
TOTAL REFUGEE ASSISTANCE TF	$241,517	$231,188	($10,329)
TOTAL TOBACCO SETTLEMENT TF	$0	$0	$0
TOTAL GRANTS AND DONATIONS	$0	$0	$0

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 46

Proposal Name:	Planning Private Duty Nursing (PDN) Rate Increase
Brief Description of Proposal:	Rate increase for Private Duty Nursing funded by an off-set in Hospital Inpatient Services.
Proposed State Fiscal Year: 00/00	2012-13
Proposed Start Date: 00/00/0000	July 1, 2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	$2,734,664 ($25.00 Blended Rate)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	120 days • Update FMMIS • Rule update
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	6-9 months
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Performed for Representative Hudson in October 2011.
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 46 Cont.**

Lead Analyst:	Claire Anthony-Davis, Medicaid Services
Secondary Analyst:	David Royce, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**$2,734,664**		
General Revenue:	**$1,155,943**		
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**$1,578,721**		
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue# 46 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

The home health agencies have not had a rate increase for Medicaid reimbursable PDN services in 20 years.
Several changes implemented in the last year aimed at enforcing Medicaid policy requirements have impacted the utilization and billing of PDN services. These changes include:

- Enforcing the use of the least costly and most appropriate skill level in providing private duty nursing services. That is, if an LPN can perform the service, Medicaid would not reimburse for an RN.

- Monitoring the billing of providers who are rendering services to more than one recipient in the same residence. Providers should be billing at a reduced rate for additional recipients served in the home in accordance with the Medicaid *Home Health Services Coverage and Limitations Handbook*.

- Requiring more documentation to substantiate information provided when requesting prior authorization. This requirement serves as a deterrent for providers who may misrepresent information in order to get approval for services.

Medicaid Impact Conference Issues

January 13, 2012

Increase Private Duty Nursing Rates		
PRIVATE DUTY NURSING	**FY1213 FORECAST***	
TOTAL COST	$	182,294,638
TOTAL GENERAL REVENUE	$	77,055,943
TOTAL MEDICAL CARE TRUST FUND	$	105,238,695
* SSEC January 2012		
PRIVATE DUTY NURSING BLENDED RATE OPTIONS		
FY1213 INCREASED COSTS	$27.50	
TOTAL COST	$	17,189,130
TOTAL GENERAL REVENUE	$	7,265,846
TOTAL MEDICAL CARE TRUST FUND	$	9,923,284
FY1213 INCREASED COSTS	$27.00	
TOTAL COST	$	14,298,237
TOTAL GENERAL REVENUE	$	6,043,865
TOTAL MEDICAL CARE TRUST FUND	$	8,254,372
FY1213 INCREASED COSTS	$26.50	
TOTAL COST	$	11,407,344
TOTAL GENERAL REVENUE	$	4,821,885
TOTAL MEDICAL CARE TRUST FUND	$	6,585,459
FY1213 INCREASED COSTS	$26.00	
TOTAL COST	$	8,516,450
TOTAL GENERAL REVENUE	$	3,599,904
TOTAL MEDICAL CARE TRUST FUND	$	4,916,546
FY1213 INCREASED COSTS	$25.50	
TOTAL COST	$	5,625,557
TOTAL GENERAL REVENUE	$	2,377,923
TOTAL MEDICAL CARE TRUST FUND	$	3,247,634

Medicaid Impact Conference Issues

January 13, 2012

FY1213 INCREASED COSTS	$25.00
TOTAL COST	$ 2,734,664
TOTAL GENERAL REVENUE	$ 1,155,943
TOTAL MEDICAL CARE TRUST FUND	$ 1,578,721

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 47a

Proposal Name:	Make KidCare Available to State Employees
Brief Description of Proposal:	In conjunction with the Department of Management Services, provide an estimate of the savings from allowing state employees to enroll in the KidCare program.
Proposed State Fiscal Year: 00/00	2012/2013
Proposed Start Date: 00/00/0000	7/1/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	($612,388)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	SB 510 provides an effective date of 7/1/2012. The Division of State Group Insurance advises that state employees with family coverage could change to individual coverage anytime and not wait for open enrollment, since the change results in at least a $20 premium change. So beginning 7/1/2012 families could begin KidCare coverage for their children and switch to individual coverage for the parent.
II. Will this proposal require a change in Florida Statute?	Yes	409.814(4)(a) excludes dependents of state employees from participating in Title XXI.
III. Will this proposal require a State Plan Amendment?	Yes	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	No	
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	This issue was included in last year's Impact Conference.
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 11, 2012

Analysis: **Issue # 47a Cont.**

Lead Analyst:	Gail Hansen
Secondary Analyst:	Greg Bracko
Assumptions (Data source and methodology):	Assumes SB 510 passes and dependents of state employees can enroll in Title XXI programs. Number of state employee dependents: 2,702 Number of families: 1,914 (50% 1 child, 25% 2 child, 25% 3 child) Assumes all families change from family coverage to individual coverage. State Employee Insurance – 70% General Revenue and 30% Trust Fund
FY Impacted by Implementation:	2012/2013
Date Analysis Completed:	

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($612,388)**		
General Revenue:	**($626,704)**		
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**$309,649**		
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**$28,252)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($323,585)**		

Medicaid Impact Conference Issues

January 11, 2012

Work Papers/Notes/Comments: **Issue # 47a Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Assumptions:

Program implementation date 7/1/2012

225 children a month would be eligible.

Title XXI Federal Medical Assistance rate 71.06%

(225*12) 2,702

				12/12/2011 SSEC SFY 12-13 Mix	
Percent expected to enroll into Florida Healthy Kids equal to	79.8%	79.3%	2,141	209,352	79%
Percent expected to enroll into Medikids equal to	13.1%	11.8%	318	31,053	11.8%
Percent expected to enroll into CMS equal to	7.1%	9.0%	243	23,752	9.0%
Total		100%	2,702		0.0%
				264,157	100.0%

Program component.	Avg Monthly caseload	$PMPM	Annual Cost	Federal	State
Florida Healthy Kids	2,141				
Medical		$114.78	$245,791		
Dental		$12.59	$26,960		
Administration		$8.27	$17,709		
Less: Family Contribution		($10.91)	($23,363)		
Net Cost		$124.73	$267,098	$188,839	$78,260
Medikids	318				
Medical		$126.25	$40,101		
Less: Family Contribution		($8.80)	($2,795)		
Net Cost		$117.45	$37,306	$26,375	$10,931
Children's Medical Services	243				
Medical		$455.50	$110,665		
Less: Family Contribution		($8.62)	($2,094)		
Net Cost		$446.88	$108,571	$76,760	$31,811

Medicaid Impact Conference Issues

January 11, 2012

Total	2,702				
Medical			$396,558		
Dental			$26,960		
Administration			$17,709		
Less: Family Contribution			($28,252)		
Net Cost			$412,976	$291,974	$121,002
FHK Programing Cost.			$25,000	$17,675	$7,325
			$437,976	$309,649	$128,327

Health Care Services (68500000)			
Children's Special Health Care Trust Fund (68500100)			
(1000-2) General Revenue (State)		$128,327	27.52%
(2474-3) Medical Care Trust Fund		$309,649	66.42%
(2339-2) Grants & Donation Trust Fund		$28,252	6.06%
	Total	$466,228	100%

Footnotes

Per member per month. Source: December 12, 2011 Social Service Estimating Conference.

Caseload: Source: FHK, December 2, 2011.

Blended EFMAP rate. 71.07%

July - Sept 2012 70.66 % X 3 months

Oct - June 2013 71.20 % X 9 months

State Employees Group Insurance

Assumptions:

Number of state employee dependents: 2702

Number of families: 1,914 (50% 1 child, 25% 2 child, 25% 3 child) (159.5*12) 1,914

All families change from family coverage to individual coverage

Match rate 70% according to DMS.

Program component.	Employer Share		Annual Cost	State	Trust Fund
Family Coverage	1,914				
		$1,063.34	$2,035,233	$1,424,663	$610,570
Individual Coverage	1,914				
		$499.80	$956,617	$669,632	$286,985
Savings to State		**($563.54)**	**($1,078,616)**	**($755,031)**	**($323,585)**

Medicaid Impact Conference Issues

January 11, 2012

State Employees Group Insurance	
General Revenue (State)	($755,031)
Trust Fund	($323,585)
Total	($1,078,616)

Savings to State to enroll children in Title XXI programs	**Annual Cost**	**State GR**	**Federal**	**Trust Fund**	**G & D T F**
State Employee Group Insurance savings	($1,078,616)	($755,031)		($323,585)	
Title XXI Cost	$466,228	$128,327	$309,649		$28,252
Net Savings to State	**($612,388)**	**($626,704)**	**$309,649**	**($323,585)**	**$28,252**

State Employees Group Insurance Savings	
G & D Trust Fund	$28,252
Trust Fund Savings	($323,585)
Federal Title XXI Reimbursement	$309,649
Annual General Revenue Savings	($626,704)
Total	($612,388)

Medicaid Impact Conference Issues

January 11, 2012

Proposal: Issue #47b

Proposal Name:	Make KidCare Available to State Employees
Brief Description of Proposal:	In conjunction with the Department of Management Services, provide an estimate of the savings from allowing state employees to enroll in the KidCare program.
Proposed State Fiscal Year: 00/00	2012/2013
Proposed Start Date: 00/00/0000	7/1/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	($504,752)
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	SB 510 provides an effective date of 7/1/2012. The Division of State Group Insurance advises that state employees with family coverage could change to individual coverage anytime and not wait for open enrollment, since the change results in at least a $20 premium change. So beginning 7/1/2012 families could begin KidCare coverage for their children and switch to individual coverage for the parent.
II. Will this proposal require a change in Florida Statute?	Yes	409.814(4)(a) excludes dependents of state employees from participating in Title XXI.
III. Will this proposal require a State Plan Amendment?	Yes	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	No	
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	This issue was included in last year's Impact Conference.
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 47b Cont.**

Lead Analyst:	Gail Hansen
Secondary Analyst:	Greg Bracko
Assumptions (Data source and methodology):	Assumes SB 510 passes and dependents of state employees can enroll in Title XXI programs. Number of state employee dependents: 2,702 Number of families: 1,914 (50% 1 child, 25% 2 child, 25% 3 child) 10% not covered by State employee plans Adjusted Number of families: 1,914-191=1723 families Assumes all families change from family coverage to individual coverage. State Employee Insurance – 66.7% General Revenue and 33.3% Trust Fund
FY Impacted by Implementation:	2012/2013
Date Analysis Completed:	

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($504,752)**		
General Revenue:	**($519,316)**		
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**$309,649**		
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**$28,252)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($323,336)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 47b Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

According to DMS, to determine the impact of removing the 2,702 children an actuarial study should be performed. However, based on enrollment information as of December 2011 and assuming that children are eligible up to age 18, then the decrease in enrollment results from the offering of Kid Care to the State employee population would be around 3.3% of the entire <=18 population. If the population is further distributed between the PPO and HMO plans it seems that the impact would be minimum.

SB510 **Allows dependents of state employees to receive subsidized Kidcare coverage.**

Assumptions:

Program implementation date 7/1/2012

225 children a month would be eligible.

Title XXI Federal Medical Assistance rate 71.06% (225*12) 2,702

			12/12/2011 SSEC SFY 12-13 Mix	
Percent expected to enroll into FHK	79.3%	2,141	209,352	79%
Percent expected to enroll into Medikids	11.8%	318	31,053	11.8%
Percent expected to enroll into CMS	9.0%	243	23,752	9.0%
Total	100%	2,702		0.0%
			264,157	100.0%

Program component.	Avg Monthly caseload	$PMPM	Annual Cost	Federal	State
Florida Healthy Kids	2,141				
Medical		$114.78	$245,791		
Dental		$12.59	$26,960		
Administration		$8.27	$17,709		
Less: Family Contribution		($10.91)	($23,363)		
Net Cost		$124.73	$267,098	$188,839	$78,260
Medikids	318				
Medical		$126.25	$40,101		
Less: Family Contribution		($8.80)	($2,795)		
Net Cost		$117.45	$37,306	$26,375	$10,931

Medicaid Impact Conference Issues

January 13, 2012

Children's Medical Services	243				
Medical		$455.50	$110,665		
Less: Family Contribution		($8.62)	($2,094)		
Net Cost		$446.88	$108,571	$76,760	$31,811
Total	2,702				
Medical			$396,558		
Dental			$26,960		
Administration			$17,709		
Less: Family Contribution			($28,252)		
Net Cost			$412,976	$291,974	$121,002
FHK Programming Cost.			$25,000	$17,675	$7,325
			$437,976	$309,649	$128,327

Health Care Services (68500000)		
Children's Special Health Care TF (68500100)		
(1000-2) General Revenue (State)	$128,327	27.52%
(2474-3) Medical Care Trust Fund	$309,649	66.42%
(2339-2) Grants & Donation Trust Fund	$28,252	6.06%
Total	$466,228	100%

Footnotes

Per member per month. Source: December 12, 2011 Social Service Estimating Conference.

Caseload: Source: FHK, December 2, 2011.

Blended EFMAP rate. 71.07%

July - Sept 2012 70.66 % X 3 months

Oct - June 2013 71.20 % X 9 months

State Employees Group Insurance

Assumptions:

Number of state employee dependents: 2702

Number of families: 1,914 (50% 1 child, 25% 2 child, 25% 3 child)

10% not covered by state employee plan, adjusted # of families 1,914 - 191= 1,723 families. (143.58*12) 1,723

All families change from family coverage to individual coverage

Match rate 66.7% according to Amy Baker.

Program component.	Employer Share	Annual Cost	State	Trust Fund

Medicaid Impact Conference Issues

January 13, 2012

Family Coverage	1,723				
		$1,063.34	$1,832,135	$1,222,034	$610,101
Individual Coverage	1,723				
		$499.80	$861,155	$574,391	$286,765
Savings to State		**($563.54)**	**($970,979)**	**($647,643)**	**($323,336)**

State Employees Group Insurance		
General Revenue (State)		($647,643)
Trust Fund		($323,336)
	Total	($970,979)

Savings to State to enroll children in Title XXI programs	**Annual Cost**	**State GR**	**Federal**	**Trust Fund**	**GDTF**
State Employee Group Insurance savings	($970,979)	($647,643)		($323,336)	
Title XXI Cost	$466,228	$128,327	$309,649		$28,252
Net Savings to State	**($504,752)**	**($519,316)**	**$309,649**	**($323,336)**	**$28,252**

State Employees Group Insurance Savings		
G & D Trust Fund		$28,252
Trust Fund Savings		($323,336)
Federal Title XXI Reimbursement		$309,649
Annual General Revenue Savings		($519,316)
	Total	($504,752)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 48

Proposal Name:	ICF/DD Assessment
Brief Description of Proposal:	Provide an estimate of revenue generated by requiring an assessment of net revenue to ICF/DD facilities up to the maximum allowable amount of 6%
Proposed State Fiscal Year: 00/00	12/13
Proposed Start Date: 00/00/0000	07/01/2012
If not July 1, start date; please explain.	ICF-DD rates are set on October 1st
Total Cost/(Savings)/{Revenue}:	{ $34,089,319}
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.		10/01/2012
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	No	
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	N/A	
IX. Is this proposal included in the current Governors recommendations?		

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 48 Cont.**

Lead Analyst:	Rydell Samuel, Medicaid Program Finance
Secondary Analyst:	Stephen Russell, Medicaid Program Finance
Assumptions (Data source and methodology):	Data source are cost reports used to set the October 2011 ICF-DD rates.
FY Impacted by Implementation:	2012-2013
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**{$34,089,319}**		
General Revenue:	**($0)**		
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**{$19,679,764}**		
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**{$14,409,555}**		
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 48 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Summary of ICF Quality Assessment

	Current FY 11-12	Projected FY 12-13, 12 months
Total Appropriated Amount for ICF Quality Assessment (G&D)	$12,107,969	$14,409,555
Total Annualized Resident Days	723,291	723,291
ICF Quality Assessment Rate	16.74	19.92
Total Appropriated Amount for ICF Quality Assessment (G&D)	$12,107,969	$14,409,555
Current FMAP - FY 2011/2012	0.5594	0.5773
Total Funds Collected Fee and Match	$27,480,637.77	$34,089,318.67
Return of Assessment Fee through Medicaid Reimbursement	$12,107,969	$14,409,555
Total Annualized Medicaid Days	722,478	722,478
ICF Quality Assessment Return	16.76	19.94
Cut-1	$1,524,597	$1,524,597
Cut-2	$17,373,303	$17,373,303
Cut-3	$6,297,463	$6,297,463
Cut-4	$0	$0
Cut-5	$0	$0
Total Cuts to Buy-Back	$25,195,363	$25,195,363
Total Funds Collected Fee and Match	$27,480,638	$34,089,319
Total Assessment Return	($12,107,969)	($14,409,555)
Total Buy-Back	($25,195,363)	($25,195,363)
ICF Assessment Surplus (Deficit)	($9,822,694)	($5,515,599)
	($13.60)	($7.63)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 49

Proposal Name:	Nursing Home/Hospice Assessment
Brief Description of Proposal:	Provide an estimate of revenue generated by requiring an assessment of net revenue to Nursing Home/Hospice facilities up to the maximum allowable amount of 6%.
Proposed State Fiscal Year: 00/00	12/13
Proposed Start Date: 00/00/0000	07/01/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	{$973,804,973}
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.		07/01/2012
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	No	
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	N/A	
IX. Is this proposal included in the current Governors recommendations?		

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 49 Cont.**

Lead Analyst:	Stephen Russell, Medicaid Program Finance
Secondary Analyst:	Rydell Samuel, Medicaid Program Finance
Assumptions (Data source and methodology):	Data source are cost reports used to set the January 2012 Nursing Home rates.
FY Impacted by Implementation:	2012-2013
Date Analysis Completed:	01/09/2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**{$973,804,973}**		
General Revenue:	**($0)**		
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**{$562,177,613}**		
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**{$411,627,360}**		
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 49 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

Projected Net Patient Service Revenue for FY 2012-13	
Average Revenue Per Patient Day	281.86
Total Patient Days of Assessed Facilities	24,339,541
Total Net Patient Service Revenue	6,860,455,992
Maximum Assessment Allowable (6.0% of Net Patient Service Revenue)	411,627,360
SB 2000 - FY2011-12 legislative authority	381,103,428

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 50

Proposal Name:	Increase FHK Rate to Provide an 85% MLR
Brief Description of Proposal:	Costs associated with increasing FHK Rate to provide an 85% medical loss ratio for FY 2012-13.
Proposed State Fiscal Year: 00/00	2012/13
Proposed Start Date: 00/00/0000	10/01/2012
If not July 1, start date; please explain.	FHKC health plan contract on 10/1 – 9/30 contract year
Total Cost/(Savings)/{Revenue}:	$14,070,301
Bureau(s) Responsible for Administration:	Medicaid Services (manages contract with Florida Healthy Kids Corporation)

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	Implementation 10/1/12. FHKC's managed care contracts (and rates) for health plan services are based on an October 1 – September 30 cycle.
II. Will this proposal require a change in Florida Statute?	No	Statute change not necessary.
III. Will this proposal require a State Plan Amendment?	No	State Plan Amendment not necessary.
IV. Will this require the Procurement Process?	No	If the 85% MLR is not funded and plans are not able to continue at rates that considered to produce MLR of less than 85% MLR and they withdraw from the program, a procurement may have to be conducted in order to provide plans and plan choice for current enrollees.
V. Will this proposal require an administrative rule?	No	
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 50 Cont.**

Lead Analyst:	Scott Ingram with FHKC
Secondary Analyst:	Gail Hansen, Medicaid Services
Assumptions (Data source and methodology):	Program implementation date 10/1/2012 Projected Florida Healthy Kids enrollment: 209,352 Title XXI Federal Medical Assistance rate: 70.66%
FY Impacted by Implementation:	2012/2013
Date Analysis Completed:	12/21/2011

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**9**	**N/A**	**12**
Total (Savings) Cost of Proposal:	**$14,070,301**		**$18,760,400**
General Revenue:	**$4,128,226**		**$5,504,301**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**$9,942,075**		**$13,256,099**
Refugee Assistance Trust Fund:	**($0)**		**($0)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($0)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 50 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

If rates due to rate freeze cannot be actuarially justified then health plans could not continue at that rate.

#50 FHKC rate increase to 85% MLR

Provide an estimate of the cost associated with increasing FHK rate to provide 85% medical loss ratio for FY 2012-13

Provide a mechanism to calculate the rate freeze.

Assumptions:

Program implementation date 10/1/2012.

Scenario 1 - cost increase from Dec 2011 SSEC (including 6.8% increase) to 13.6% increase

	Total	Federal	State
Florida Healthy Kids			
- Results from December 12, 2011 SSEC			
Medical Cost - with 6.8% increase at 10/2012	$260,946,554	$183,517,732	$77,428,822
Medical Cost - with 13.6% increase at 10/2012 to get to an 85% medical loss ratio	$275,016,854	$193,459,806	$81,557,048
Total Cost - from Dec 2011 SSEC to 13.6%	**$14,070,300**	**$9,942,074**	**$4,128,226**

Health Care Services (68500000)	
Children's Special Health Care Trust Fund (68500100)	
(1000-2) General Revenue (State)	$4,128,226
(2474-3) Medical Care Trust Fund	$9,942,074
Total	$14,070,300

Annualized

Health Care Services (68500000)	
Children's Special Health Care Trust Fund (68500100)	
(1000-2) General Revenue (State)	$5,504,301
(2474-3) Medical Care Trust Fund	$13,256,099
Total	$18,760,400

Medicaid Impact Conference Issues

January 13, 2012

Assumptions:

Program implementation date 10/1/2012.

Scenario 2 - cost increase from a 10/2012 rate increase of 0% to 13.6% increase

	Total	Federal	State
Florida Healthy Kids			
- Results if medical rates frozen at 10/2012			
Medical Cost - with no rate increase	$246,876,253	$173,575,657	$73,300,596
Medical Cost - with 13.6% increase at 10/2012 to get to an 85% medical loss ratio	$275,016,854	$193,459,806	$81,557,048
Total Cost - from 0% to 13.6%	**$28,140,601**	**$19,884,149**	**$8,256,452**

Health Care Services (68500000)	
Children's Special Health Care Trust Fund (68500100)	
(1000-2) General Revenue (State)	$8,256,452
(2474-3) Medical Care Trust Fund	$19,884,149
Total	$28,140,601

Annualized

Health Care Services (68500000)	
Children's Special Health Care Trust Fund (68500100)	
(1000-2) General Revenue (State)	$11,008,603
(2474-3) Medical Care Trust Fund	$26,512,199
Total	$37,520,801

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 51

Proposal Name:	Hospital Emergency Departments
Brief Description of Proposal:	Provide an estimate of savings if payments to hospital emergency departments were adjusted to reimbursement non-emergent care visits using the diagnostic code that corresponds to the type of non-emergent care visit.
Proposed State Fiscal Year: 00/00	2012-13
Proposed Start Date:	To be determined
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	To be determined
Bureau(s) Responsible for Administration:	

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.		
II. Will this proposal require a change in Florida Statute?	Yes	(s. 641.3155)
III. Will this proposal require a State Plan Amendment?	Yes	
IV. Will this require the Procurement Process?		Not known at this time
V. Will this proposal require an administrative rule?	Yes	Yes for handbook change
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	Yes	
VII. Will this proposal require additional staffing?		Potentially
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?		

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 51 Cont.**

Lead Analyst:	
Secondary Analyst:	
Assumptions (Data source and methodology):	
FY Impacted by Implementation:	
Date Analysis Completed:	

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:		**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($0)**		
General Revenue:	**($0)**		
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**($0)**		
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Work Papers/Notes/Comments: **Issue # 51 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

GENERAL COMMENTS:

Coordination should occur with the Office of Insurance Regulation since Chapter 641 is under their purview.

Possible conflicts with EMTALA should be explored with legal counsel.

May want to look at this from fraud and abuse perspective. EMTALA requires screening for emergency. If condition is non-emergent, the hospital should cease treatment and refer to primary care. Reviewing medical records after-the-fact may be more useful. Current Medicaid policy limits reimbursement to emergency services. If the condition is non-emergent, hospitals are to bill for the screening only. However, the screening-only code is not used often. This is really a fraud and abuse issue. This proposal still allows the hospital to make the call whether a condition is emergent or not.

"Up-front" edits would be difficult to program. Attempts at preparing a list of "non-emergent" diagnoses codes haves been controversial and do not take into account comorbidities and other complications. For example, the most widely used list of non-emergency conditions is the New York algorithm, but there has been recognition that it should be used with caution.

May impact health plan rate setting.

May increase hospital provider complaints.

Not sure it is relatively easy for HMOs to develop screening programs just because they have agreements with providers. Technically, Medicaid has agreements with the same hospitals via their Medicaid provider enrollment.

Many plans have ER diversion programs in place, but they focus on changing recipient behavior rather than screening prior to the provision of services.

There is an assumption that screening would allow diversion of non-emergent cases to a more appropriate setting or settings. What if such a setting(s) is not available? What if transportation is an issue? What if diversion would be to multiple settings and recipients are resistant to such. Might need to review copay policies. If multiple settings would require multiple copays, it is cheaper for the recipient to go to the ER.

We would need to ensure any fee-for-service policy changes take fee-for-service (FFS) Provider Service Network (PSN) claims into account to ensure policy is consistent since the fiscal agent pays FFS PSN claims.

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 52

Proposal Name:	Hospital Rate Banding
Brief Description of Proposal:	Savings associated with the Hospital Rate Band Methodology as proposed in the Governor's Recommended Budget
Proposed State Fiscal Year: 00/00	2012-13
Proposed Start Date: 00/00/0000	07/01/2012
If not July 1, start date; please explain.	
Total Cost/(Savings)/{Revenue}:	($1,933,700,850)
Bureau(s) Responsible for Administration:	Medicaid Program Finance

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.	Yes	Notice of Proposed Rule Development in FAW no later than June 16, 2012
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	Yes	Modify the Title XIX Inpatient and Outpatient Hospital Reimbursement Plans and submit them to CMS no later than September 30, 2012.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Begin Rulemaking process with publishing a Notice of Rule development in FAW when Governor signs the budget. AHCA has 90 days to adopt the rule once the proposed rule is filed.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	Yes	This issue has been proposed by the Governor in the current Governors Recommendations.

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 52 Cont.**

Lead Analyst:	Tom Wallace, Medicaid Program Finance
Secondary Analyst:	Fred Roberson
Assumptions (Data source and methodology):	January 04, 2012 SSEC based on the FY 2012-13 estimates.
FY Impacted by Implementation:	FY 2012-13
Date Analysis Completed:	01/11/12

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**12**	**N/A**	**12**
Total (Savings) Cost of Proposal:	**($1,933,700,850)**		
General Revenue:	**($388,245,581)**		
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**($1,114,294,161)**		
Refugee Assistance Trust Fund:	**($3,666,528)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($427,494,580)**		
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 52 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

The figures presented are consistent with the Governor's Recommendations.

Fund	Hospital Rate Bands	Reduction to Hospital Rate Bands	TOTAL HOSPITAL INPATIENT
GR	($52,127,492)	($95,809,050)	($147,936,542)
MCTF	($546,619,369)	($159,894,276)	($706,513,645)
RATF	($1,031,796)	($301,816)	($1,333,612)
PMATF	$0	$0	$0
GDTF	($348,108,100)	($21,265,799)	($369,373,899)
HCTF	$0	$0	$0
Other	$0	$0	$0
Total	($947,886,757)	($277,270,941)	($1,225,157,698)

Fund	Hospital Rate Bands	Reduction to Hospital Rate Bands	TOTAL HOSPITAL OUTPATIENT
GR	($198,173)	($30,319,462)	($30,517,635)
MCTF	($69,822,494)	($51,234,756)	($121,057,250)
RATF	($204,347)	($149,947)	($354,294)
PMATF	$0		$0
GDTF	($50,925,971)	($7,194,710)	($58,120,681)
HCTF	$0		$0
Total	($121,150,985)	($88,898,875)	($210,049,860)

Fund	TOTAL HOSPITAL INPATIENT	TOTAL HOSPITAL OUTPATIENT	TOTAL HOSPITAL
GR	($147,936,542)	($30,517,635)	($178,454,177)
MCTF	($706,513,645)	($121,057,250)	($827,570,895)
RATF	($1,333,612)	($354,294)	($1,687,906)
PMATF	$0	$0	$0
GDTF	($369,373,899)	($58,120,681)	($427,494,580)
HCTF	$0	$0	$0
Other	$0	$0	$0
Total	($1,225,157,698)	($210,049,860)	($1,435,207,558)

Medicaid Impact Conference Issues

January 13, 2012

Fund	Impact to Prepaid Health Plans / Hospital Rate Bands	Impact to Prepaid Health Plans/ Reduction to Hospital Rate Bands	Total Impact to Prepaid Health Plans
GR	($155,084,532)	($54,706,872)	($209,791,404)
MCTF	($212,007,682)	($74,715,584)	($286,723,266)
RATF	($1,462,870)	($515,752)	($1,978,622)
PMATF	$0	$0	$0
GDTF	$0	$0	$0
HCTF	$0	$0	$0
Other	$0	$0	$0
Total	($368,555,084)	($129,938,208)	($498,493,292)

Fund	TOTAL HOSPITAL INPATIENT	TOTAL HOSPITAL OUTPATIENT	TOTAL HOSPITAL	Total Impact to Prepaid Health Plans	Grand Total
GR	($147,936,542)	($30,517,635)	($178,454,177)	($209,791,404)	($388,245,581)
MCTF	($706,513,645)	($121,057,250)	($827,570,895)	($286,723,266)	($1,114,294,161)
RATF	($1,333,612)	($354,294)	($1,687,906)	($1,978,622)	($3,666,528)
PMATF	$0	$0	$0	$0	$0
GDTF	($369,373,899)	($58,120,681)	($427,494,580)	$0	($427,494,580)
HCTF	$0	$0	$0	$0	$0
Other	$0	$0	$0	$0	$0
Total	($1,225,157,698)	($210,049,860)	($1,435,207,558)	($498,493,292)	($1,933,700,850)

Medicaid Impact Conference Issues

January 13, 2012

Proposal: Issue # 53

Proposal Name:	Eliminate Optional Eligibility Group: Medicaid for Aged and Disabled
Brief Description of Proposal:	Estimate the cost savings from discontinuing Medicaid coverage for the optional eligibility group Medicaid for Aged and Disabled (MEDS-AD).
Proposed State Fiscal Year: 00/00	2012-13
Proposed Start Date: 00/00/0000	10/01/2012
If not July 1, start date; please explain.	Administrative rule and State Plan revisions, DCF notification to recipients losing eligibility, notification to CMS regarding waiver withdrawal.
Total Cost/(Savings)/{Revenue}:	($20,705,097)
Bureau(s) Responsible for Administration:	Medicaid Pharmacy Services, DCF

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.		Implementation time line is not completely within the Agency's control. Both CMS and DCF will need to be involved and will have their own requirements.
II. Will this proposal require a change in Florida Statute?	Yes	F.S. 409.904
III. Will this proposal require a State Plan Amendment?	Yes	Revisions to State Plan: 60 days.
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Existing rule would require revisions: 90 days
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	Yes	MEDS-AD eligibility is provided under a CMS 1115 waiver. The Agency will have to notify CMS that this demonstration will be discontinued.
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	AHCA reduction issue from VIII-B
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 13, 2012

Analysis: **Issue # 53 Cont.**

Lead Analyst:	Martha Crabb, Medicaid Services
Secondary Analyst:	Fred Roberson, Medicaid Program Analysis
Assumptions (Data source and methodology):	SSEC January 4, 2012 Analysis preserves breast and cervical cancer, as well as the recipients who will cross over to SSI (the ICP eligibles).
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	January 2012

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**9**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**($20,705,097)**		**($27,606,796)**
General Revenue:	**($8,429,019)**		**($11,238,692)**
Administrative Trust Fund:			
Medical Health Care Trust Fund:	**($11,302,125)**		**($15,069,500)**
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($973,953)**		**($1,298,604)**
Public Medical Assistance Trust Fund:			
Other State Funds:	**($0)**		

Medicaid Impact Conference Issues

January 13, 2012

Work Papers/Notes/Comments: **Issue # 53 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

There may be additional implementation delays depending on DCF requirements regarding notification of current MEDS-AD eligibles of their losing Medicaid coverage. In addition, CMS may have issues and requirements regarding how the Agency can move forward with terminating this 1115 demonstration.

A substantial number of the terminated MEDS-AD eligibles can be expected to regain Medicaid coverage under a different eligibility category.

If MEDS-AD is eliminated and the MN program is left intact, it is anticipated that a large portion of the MEDS-AD eligibles could transition to MN or some other eligibility category. This is estimated to be 97% of population that would shift.

ANNUALIZED	BASE	CUT ED ONLY		Final Cut
TOTAL COST	$887,988,245	($834,286,517)		($834,286,517)
TOTAL GENERAL REVENUE	$366,102,754	($346,036,982)		($346,036,982)
TOTAL MEDICAL CARE TRUST FUND	$481,114,629	($455,405,290)		($455,405,290)
TOTAL REFUGEE ASSISTANCE TF	$0	$0		$0
TOTAL PUBLIC MEDICAL ASSIST TF	$0	$6,400,000		$6,400,000
TOTAL OTHER STATE FUNDS	$0	$0		$0
TOTAL GRANTS & DONATIONS TF	$40,770,862	($39,244,245)		($39,244,245)
TOTAL HEALTH CARE TF	$0	$0		$0
TOTAL TOBACCO SETTLEMENT TF	$0	$0		$0

Assumes that 97% of costs associated with MEDS-AD would show up in MN costs.

TOTAL COST	$806,679,721
TOTAL GENERAL REVENUE	$328,398,290
TOTAL MEDICAL CARE TRUST FUND	$440,335,790
TOTAL REFUGEE ASSISTANCE TF	$0
TOTAL PUBLIC MEDICAL ASSIST TF	$0
TOTAL OTHER STATE FUNDS	$0
TOTAL GRANTS & DONATIONS TF	$37,945,641
TOTAL HEALTH CARE TF	$0
TOTAL TOBACCO SETTLEMENT TF	$0

Medicaid Impact Conference Issues

January 13, 2012

NET	
TOTAL COST	($27,606,796)
TOTAL GENERAL REVENUE	($11,238,692)
TOTAL MEDICAL CARE TRUST FUND	($15,069,500)
TOTAL REFUGEE ASSISTANCE TF	$0
TOTAL PUBLIC MEDICAL ASSIST TF	$0
TOTAL OTHER STATE FUNDS	$0
TOTAL GRANTS & DONATIONS TF	($1,298,604)
TOTAL HEALTH CARE TF	$0
TOTAL TOBACCO SETTLEMENT TF	$0

Medicaid Impact Conference Issues

January 27, 2012

Proposal: Issue # 1

Proposal Name:	Genetic Testing for Cancer Risk
Brief Description of Proposal:	Provide funds for Medicaid to open new codes and reimburse Myriad Labs for genetic tests to detect genetic mutations indicating that patients are at higher risk of developing certain types of cancer.
Proposed State Fiscal Year: 00/00	2012-13
Proposed Start Date: 00/00/0000	08/01/2012
If not July 1, start date; please explain.	Handbook needs to be updated and the new codes need to be activated in FMMIS.
Total Cost/(Savings)/{Revenue}:	$687,500
Bureau(s) Responsible for Administration:	Medicaid Services

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.		Rule changes are needed.
II. Will this proposal require a change in Florida Statute?	No	
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	Yes	Handbook needs to be updated with new codes and rates for the tests and provide instruction for billing.
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	Yes	Bill Analysis
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 27, 2012

Analysis: **Issue # 1 Cont.**

Lead Analyst:	Mike Bolin
Secondary Analyst:	MPA
Assumptions (Data source and methodology):	Myriad Labs
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**11**	**N/A**	**N/A**
Total (Savings) Cost of Proposal:	**$687,500**		**$750,000**
General Revenue:	**$290,606**		**$317,025**
Administrative Trust Fund:	**($0)**		
Medical Health Care Trust Fund:	**$396,894**		**$432,975**
Refugee Assistance Trust Fund:	**($0)**		
Tobacco Settlement Trust fund:	**($0)**		
Grants and Donation Trust Fund:	**($0)**		
Public Medical Assistance Trust Fund:	**($0)**		
Other State Funds:	**($0)**		

Work Papers/Notes/Comments: **Issue # 1 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

We are aware of only a single vendor that provides the tests proposed in this item. With a single vendor, there is no price competition.

Savings may exist in later years but are beyond the budget cycle for SFY1213.

Pros

There is potential benefit of preventing cancer in patients identified with genetically increased risk of developing cancer. The BRCA 1/2 tests have proven effective at identifying a small group of patients with genetic markers for increased risk of developing certain cancers.

Cons

According to the supplier of the test the average cost per test is approximately $3000 so there is a fiscal impact in the early years.

Prevention of cancer in patients with the BRCA 1/2 mutation requires either enhanced screening tests which Medicaid already provides to patients with a family history of these cancers or presumptive surgery such as mastectomy or oophorectomy to remove the breasts or ovaries before cancer is detected.

A negative result does not mean that a woman will not develop breast or ovarian cancer. It simply indicates that the person tested is not at increased risk for developing hereditary breast cancer or ovarian cancer related to the BRCA mutations for which he/she was tested. It is important to remember that 90-95% of breast cancers are not associated with a BRCA mutation. The risks increase with age with the bulk of these cancers occurring after age 50. The presence of a BRCA-1 or BRCA-2 mutation means that the person tested is at an increased risk for breast and/or ovarian cancer, but it does not mean that she will ever have them. Even within a family with the same BRCA mutation, not everyone will develop cancer and those that do may develop it at different times during their life. According to the National Cancer Institute (NCI), estimates of lifetime risk for breast cancer in women with BRCA-1 or BRCA-2 mutations is about 60% and estimates of risk for ovarian cancer ranges from 15% to 40%.

Finally most Medicaid recipients are children and young mothers. If this population is tested, it is very likely that they won't be Medicaid recipients by the time they reach the age where they are at significantly higher risk of developing cancer. Medicaid will have paid for the test (and perhaps the presumptive surgery) but may not realize the savings because the recipient is no longer a Medicaid recipient.

Agency staff understands the potential benefit of identifying recipients with genetically increased risk of developing cancer. The BRCA 1/2 tests have proven effective at identifying a small group of patients with genetic markers for increased risk of developing certain cancers. (See the ratings from Hayes Health Technology Assessments below for reference).

However, these tests are associated with immediate costs while the potential savings are not realized until later years. The codes assigned by CMS for these and other existing tests are already covered by Florida Medicaid for newborn screening with reimbursement rates below $20 each.

Myriad labs, the only provider of these tests, is asking the Agency to use newer codes specific to these genetic tests and reimburse an average of $3000 per test.

Using the rate of 1 test per 7000 Medicaid recipients, suggested by Myriad, produces an estimate of 250 tests with a fiscal impact on Medicaid laboratory testing of $750,000 per year. Testing 250 recipients should identify approximately 25 with the BRCA genetic mutation, of these about 10% would be expected to develop cancer in the next 10 years. **Medicare rates are consistent with the rates on which Medicaid based this fiscal impact**. The Agency expects that these tests could eventually prove to be cost effective but for near term they would have a fiscal impact.

HAYES RATING FOR GENETIC TEST:

B – For breast cancer patients from high-risk families with a known familial BRCA1/2 deleterious variant.

B – For breast cancer patients from high-risk families without a known familial BRCA1/2 deleterious variant.

B – For asymptomatic individuals from high-risk families with a known familial BRCA1/2 deleterious variant.

C – For asymptomatic individuals from high-risk families without a known familial BRCA1/2 deleterious variant.

What is a Hayes GTE Rating?

The Hayes GTE Rating system, developed by Winifred S. Hayes, Inc., reflects the quality and direction of the evidence regarding a genetic test, including safety and efficacy, impact on health outcomes, indications for use, patient selection criteria, and comparison with other technologies. The Ratings are scaled A through D1 and D2 and are defined as follows:

Rating Description

A Established benefit. Published evidence regarding analytical validity, clinical validity, and clinical utility is sufficient to support the use of the test for the application(s) under consideration.

B Some proven benefit. Published evidence regarding analytical validity, clinical validity, and clinical utility supports use of the test for the application(s) assessed. However, there are outstanding questions with respect to impact on health outcomes and/or safety.

C Potential but unproven benefit. Some published evidence regarding analytical validity and/or clinical validity supports use of the test for the application(s) assessed. However, impact on health outcomes (clinical utility) has not been demonstrated because of poor-quality studies, sparse data, conflicting study results, and/or other concerns.

D1 No proven benefit. Published evidence shows that the test lacks analytical validity, clinical validity, and/or clinical utility for the application(s) assessed.

D2 Insufficient evidence. There is insufficient published evidence to assess the analytical and/or clinical validity of the test for the application(s) assessed.

Current Medicaid Coverage of Genetic Testing:

The term “Genetic Testing” is used to cover a wide range of tests. There are three broad categories of genetic testing:

- Bio-chemical: analysis of tissues or fluids (does not involve DNA, such as Alpha-fetoprotein (AFP));
- Cytogentic: breaking cells down for a full chromosome analysis (23 from mother and 23 from father);
- Molecular: extracting DNA from the chromosomes and resulting analysis.

Current Medicaid Coverage for bio-chemical genetic testing is outlined below:

Independent Laboratory Handbook Genetic Testing

The following coverage policy is found in the Florida Medicaid Independent Laboratory Coverage and Limitations Handbook, page 2-5:

Purpose of Preconception and Prenatal Genetic Carrier Screening Laboratory Testing
Asymptomatic recipients may receive genetic carrier screening laboratory testing services to determine the recipient's risk of passing on a particular genetic mutation in X-linked and autosomal-recessive conditions. Genetic carrier screening laboratory testing services are performed to identify recipients who are themselves unaffected but are at risk for passing the condition to their off-spring.

Covered Services
Medicaid reimburses for preconception and prenatal genetic carrier screening laboratory tests that are accepted by the American College of Medical Genetics and that can be billed using Healthcare Common Procedure Coding System (HCPCS) procedure codes.

The laboratory testing method must be considered to be a proven method for the identification of a genetically-linked inheritable disease (i.e., the genotypes to be detected by a genetic test must be shown by scientifically valid methods to be associated with the occurrence of a disease, and the observations must be independently replicated and subject to peer review).

Service Requirements
Preconception and prenatal genetic carrier screening laboratory tests must be ordered by a licensed health care practitioner authorized within the scope of his practice to order genetic carrier screening laboratory tests.

The laboratory must maintain requests for the specific laboratory tests on file with copies of the report of the test results.

The recipient must be eligible for Medicaid on the date of service.

DNA-Based Preconception and Prenatal Genetic Laboratory Services Limitations
The molecular diagnostics codes are reimbursed for preconception and prenatal DNA-based genetic testing when performed as a study to determine the genetic carrier status.

Physician Services Coverage and Limitations Handbook on Genetic Testing

The following coverage policy is found in the Florida Medicaid Physician Services Coverage and Limitations Handbook, beginning on page 2-96:

Purpose of Preconception and Prenatal Genetic Carrier Screening Laboratory Testing
Asymptomatic recipients may receive genetic carrier screening laboratory testing services to determine the recipient's risk of passing on a particular genetic mutation in X-linked and autosomal-recessive conditions. Genetic carrier screening laboratory testing services are performed to identify recipients who are themselves unaffected but are at risk for passing the condition to their off-spring.

Covered Services

Medicaid reimburses for preconception and prenatal genetic carrier screening laboratory tests that are accepted by the American College of Medical Genetics and that can be billed using Healthcare Common Procedure Coding System (HCPCS) procedure codes.

The laboratory testing method must be considered to be a proven method for the identification of a genetically-linked inheritable disease (i.e., the genotypes to be detected by a genetic test must be shown by scientifically valid methods to be associated with the occurrence of a disease, and the observations must be independently replicated and subject to peer review).

Recipient Eligibility for Preconception and Prenatal Genetic Carrier Screening Laboratory Testing
Medicaid reimburses for preconception and prenatal genetic carrier screening laboratory testing services for the prospective or expecting mother and father when the following criteria are met:

- The person being tested has a direct risk factor, based on family history or ethnicity analysis, for the development of a genetically-linked inheritable disease.
- To determine person's risk of passing on a particular genetic mutation in X-linked and autosomal-recessive conditions to their off-spring.
- The person being tested is eligible for Medicaid on the date of service.

DNA-Based Preconception and Prenatal Genetic Laboratory Services Limitations
The molecular diagnostics codes are reimbursed for preconception and prenatal DNA-based genetic testing when performed as a study to determine the genetic carrier status.

Documentation Required for Preconception or Prenatal Genetic Carrier Screening Laboratory Testing
The recipient's medical records must clearly document the medical necessity for preconception or prenatal genetic carrier screening laboratory testing, which would include the direct risk factor (based on family history or ethnicity analysis) for the development of the genetically-linked inheritable disease that prompted the testing.

Screenings Related to HIV/AIDS

Florida Medicaid also reimburses, on a post authorization basis, for the Trofile assay. Trofile is a patient selection assay that is necessary to prescribe maraviroc, a new drug treating HIV/AIDS. Trofile is a clinically proven diagnostic that determines viral tropism prior to initiating a drug regimen that includes maraviroc.

Newborn Screenings:

Florida Medicaid reimburses the Florida Department of Health, Bureau of Laboratories for biochemical laboratory testing of Newborn Screenings per F.S. 383.14. Newborn Screenings consists of the following 35 metabolic disorders:

- Phenylketonuria- PKU
- Congenital adrenal hyperplasia- CAH
- Congenital hypothyroidism- HYPOTH
- Galactosemia (G/G)- GALT
- Hb S/Beta-thalassemia- HB S/Th
- HB S/C disease- HB S/C
- Sickle Cell Anemia- SCA
- Hearing Loss- HL

- 3-Methylcrotonyl-CoA carboxylase deficiency- 3MCC
- 3-OH 3-CH3 glutaric acuduria- HMG
- Arginosuccinic acidemia- ASA
- Mitochondrial acetoacetyl-CoA thiolase (beta-ketothiolase) deficiency- BKT
- Citrullinemia- CIT
- Glutaric acidemia type I- GA I
- Homocystinuria- HCY
- Isovaleric acidemia- IVA
- Long-chain L-3-OH acyl-CoA dehydrogenase deficiency- LCHAD
- Maple Syrup urine disease- MSUD
- Medium chain acyl-CoA dehydrogenase deficiency- MCAD
- Methylmalonic acidemia- MMA (Cbl A,B)
- Propionic acidemia- PA (PROP)
- Tyrosinemia type I- TYR I
- Very long-chain acyl-CoA dehydrogenase deficiency- VLCAD
- Carnitine/Acylcarnitine translocase deficiency- CAT
- Carnitine palmityl transferase deficiency type I- CPT-1
- Carnitine palmityl transferase deficiency type II- CPT-2
- Multiple acyl-CoA dehydrogenase deficiency- GA II
- Short chain acyl-CoA dehydrogenase deficiency- SCAD
- Tyrosinemia type II- TYR II
- Biotinidase deficiency- BIOT
- Carnitine uptake defect- CUD
- Methylmalonic acidemia (mutase deficiency)- MUT
- Multiple carboxylase deficiency- MCD
- Trifunctional protein deficiency- TFP
- Cystic Fibrosis- CF

Medicaid Impact Conference Issues

January 27, 2012

Proposal: Issue #2

Proposal Name:	Removal of GR from Prepaid Health Plan Capitations for IGT Portion of the Medicaid Hospital Rates
Brief Description of Proposal:	Provide an estimated impact of proportionally splitting IGTs between the hospital line and prepaid health plan line.
Proposed State Fiscal Year: 00/00	2012-13
Proposed Start Date: 00/00/0000	09/01/2012
If not July 1, start date; please explain.	This is the effective date of prepaid capitation rates.
Total Cost/(Savings)/{Revenue}:	($596,040,307)
Bureau(s) Responsible for Administration:	Medicaid Program Analysis and Program Finance

Key Elements:	**Yes;No;N/A**	**Explanation and Time Frame**
I. Anticipated implementation time line and process.		
II. Will this proposal require a change in Florida Statute?	Yes	s. 409.908
III. Will this proposal require a State Plan Amendment?	No	
IV. Will this require the Procurement Process?	No	
V. Will this proposal require an administrative rule?	No	
VI. Will this proposal require a Federal waiver or modification to an existing waiver?	No	
VII. Will this proposal require additional staffing?	No	
VIII. Is there a previous or concurrent Analysis by the Agency?	No	
IX. Is this proposal included in the current Governors recommendations?	No	

Medicaid Impact Conference Issues

January 27, 2012

Analysis: **Issue #2 Cont.**

Lead Analyst:	MPA & MPF
Secondary Analyst:	
Assumptions (Data source and methodology):	SSEC January 2012, Based on proposed language in s. 409.908 F.S.
FY Impacted by Implementation:	2012-13
Date Analysis Completed:	

Funding Sources:	**Start Year**	**Additional Year**	**Annualized**
Number of Months in the Analysis:	**10**	**N/A**	**12**
Total (Savings) Cost of Proposal:	**($596,040,307)**		**($623,125,200)**
General Revenue:	**($218,726,448)**		**($262,471,737)**
Administrative Trust Fund:	**($0)**		**($0)**
Medical Health Care Trust Fund:	**($345,017,354)**		**($360,653,463)**
Refugee Assistance Trust Fund:	**($0)**		**($0)**
Tobacco Settlement Trust fund:	**($0)**		**($0)**
Grants and Donation Trust Fund:	**($32,296,505)**		**($0)**
Public Medical Assistance Trust Fund:	**($0)**		**($0)**
Other State Funds:	**($0)**		**($0)**

Medicaid Impact Conference Issues

January 27, 2012

Work Papers/Notes/Comments: **Issue #2 Cont.**

(i.e. Pros, Cons; Industry Concerns; Implementation obstacles):

The use of intergovernmental transfers (IGTs) which fund exemptions and buy backs for inpatient and outpatient hospital rates shall not be used in the calculation of prepaid rate setting. Since no IGTs are provided, the prepaid rates will use the county billing rate. Prepaid health plans may negotiate contracts with hospitals to pay within 95 and 105 percent of the hospital county billing rate. This analysis assumes plans pay hospitals at the county billing rate.

To fund hospital costs that would be allowed in the prepaid rate setting, the Agency may collect IGTs and may develop capitation rates to include those allowable costs as long as they are not funded with General Revenue but funded through IGTs. Also, if IGTs are provided to fund hospital rates, then the IGT amount collected by the Agency will need to be proportionally applied to the rates for hospital inpatient and outpatient services and prepaid health plans. The amounts of IGTs used in prepaid rates for funding allowable costs must be used to enhance hospital payments.

Applying the IGTs proportionally would reduce the hospital rates assuming no increase in the level of IGTs provided for the July 1, 2011 rate setting. The assumption is that the Agency will receive the same amount of IGTs at the same level as adopted at the January 4, 2012 SSEC.

Medicaid Impact Conference Issues

January 27, 2012

	12/13 Projection	Calculation w/o IGTs	IGT Calculation	Proportional Share Redistribution of IGTs	Reduction w/ Proportional Share Redistribution of IGTs
HOSPITAL INPATIENT SERVICES					
MEDICAID CASELOAD	1,410,063	1,410,063	1,410,063	1,410,063	
MEDICAID UTILIZATION RATE	2.46%	2.46%	2.46%	2.46%	
MEDICAID ADMISSIONS PER MONTH	34,725	34,725	34,725	34,725	
MEDICAID DAYS PER ADMISSION	5.16	5.16	5.16	5.16	
MEDICAID PER DIEM	$1,729.23	$1,104.57	$624.66	$460.68	
MEDICAID TOTAL COST	$3,720,617,072	$2,376,597,230	$1,344,019,842	$991,193,269	
	2,151,604	2,151,604	2,151,604	2,151,604	
TOTAL COST	$3,720,617,072	$2,376,597,230	$1,344,019,842	$991,193,269	($352,826,573)
TOTAL GENERAL REVENUE	$594,520,775	$594,520,775	$0	$0	$0
TOTAL MEDICAL CARE TRUST FUND	$2,145,574,185	$1,369,054,986	$776,519,199	$572,215,874	($204,303,325)
TOTAL REFUGEE ASSISTANCE TF	$4,049,976	$4,049,976	$0	$0	$0
TOTAL PUBLIC MEDICAL ASSIST TF	$395,610,000	$395,610,000	$0	$0	$0
TOTAL GRANTS AND DONATIONS TF	$580,862,136	$13,361,493	$567,500,643	$418,977,395	($148,523,248)
	0.6387630784				
	0.553240888				
HOSPITAL OUTPATIENT SERVICES					
MEDICAID CASELOAD	1,410,063	1,410,063	1,410,063	1,410,063	
MEDICAID UTILIZATION RATE	77.26%	77.26%	77.26%	77.26%	
MEDICAID SERVICES PER MONTH	1,089,447	1,089,447	1,089,447	1,089,447	
MEDICAID UNIT COST	$77.29	$45.94	$31.35	$23.10	
MEDICAID TOTAL COST	$1,010,401,204	$600,590,342	$409,810,862	$302,021,595	
TOTAL COST	$1,010,401,204	$600,590,342	$409,810,862	$302,021,595	($107,789,267)
TOTAL GENERAL REVENUE	$148,455,889	$148,455,889	$0	$0	$0
TOTAL MEDICAL CARE TRUST FUND	$582,320,748	$345,430,197	$236,890,551	$174,357,067	($62,533,484)
TOTAL REFUGEE ASSISTANCE TF	$1,704,256	$1,704,256	$0	$0	$0
TOTAL PUBLIC MEDICAL ASSIST TF	$105,000,000	$105,000,000	$0	$0	$0
TOTAL GRANTS AND DONATIONS TF	$172,920,311	$0	$172,920,311	$127,664,528	($45,255,783)
	0.5944419248				

0.692430413

PREPAID HEALTH PLAN

CASELOAD	1,273,904	1,273,904	1,273,904	1,273,904		
UNIT COST	$223.25	$182.63	$40.62	$29.99		
TOTAL COST	$3,412,777,995	$2,791,837,050	$620,940,945	$458,431,585		
CASELOAD-MENTAL HEALTH	672,090	672,090	0	0		
UNIT COST	$34.19	$34.19	$0.00	$0.00		
TOTAL COST	$275,746,383	$275,746,383	$0	$0		
TOTAL COST	$3,688,524,378	$3,067,583,433	$620,940,945	$458,431,585	($162,509,360)	($135,424,467)
TOTAL GENERAL REVENUE	$1,062,265,365	$799,793,627	$262,471,737	$0	($262,471,737)	($218,726,448)
TOTAL OTHER STATE FUNDS	$0	$0	$0	$0	$0	$0
TOTAL MEDICAL CARE TRUST FUND	$2,121,018,506	$1,762,549,299	$358,469,208	$264,652,554	($93,816,654)	($78,180,545)
TOTAL REFUGEE ASSISTANCE TF	$14,640,507	$14,640,507	$0	$0	$0	$0
TOTAL HEALTH CARE TF	$490,600,000	$490,600,000	$0	$0	$0	$0
TOTAL GRANTS AND DONATIONS TF	$0	$0	$0	$193,779,031	$193,779,031	$161,482,526

- 9/1/12 date

Inp IGT	$567,500,643
Outp IGT	$172,920,311
HMO GR related	$262,471,737
	$1,002,892,691
	0.565863774
	0.172421549
	0.261714677
Total IGT	$740,420,954
Inp IGT	$418,977,395
Outp IGT	$127,664,528
HMO GR related	$193,779,031