



# Medicaid Impact Conference Special Session 2007

Final Document for Conferences:  
August 29, 2007  
September 14, 2007  
Document Finalized 9/21/07



# Medicaid Impact Conference Issues

September 14, 2007

## Summary of Issues

Item #	Issue	Action	Proposed Start Date	General Revenue	Trust Fund	Total
1a	Eliminate Chiropractic Services	Provide an estimate for full program reduction.	1/1/2008	(\$328,353)	(\$437,441)	(\$765,794)
1b	Reduce Chiropractic Services	Provide an estimate for a 4% reduction in rates.	1/1/2008	(\$9,471)	(\$12,609)	(\$22,080)
2a	Eliminate Podiatric Services	Provide an estimate for full program reduction.	1/1/2008	(\$866,701)	(\$1,154,699)	(\$2,021,400)
2b	Reduce Podiatric Services	Provide an estimate for a 4% reduction in rates.	1/1/2008	(\$35,400)	(\$47,167)	(\$82,567)
3a	Reduce Private Duty Nursing Rates	Provide an estimate for a 2% reduction in rates.	1/1/2008	(\$527,708)	(\$694,376)	(\$1,222,084)
3b		Provide an estimate for a 4% reduction in rates.	1/1/2008	(\$1,053,665)	(\$1,389,304)	(\$2,442,969)
4a	Reduce Home Health Provider Rates	Provide an estimate for a 2% reduction in rates.	1/1/2008	(\$1,074,158)	(\$1,348,094)	(\$2,422,252)
4b		Provide an estimate for a 4% reduction in rates.	1/1/2008	(\$2,112,131)	(\$2,723,916)	(\$4,836,047)
5a	Reduce Hospice Rates	Provide an estimate for a 2% reduction in rates.	1/1/2008	(\$1,268,636)	(\$1,615,292)	(\$2,883,928)
5b		Provide an estimate for a 4% reduction in rates.	1/1/2008	(\$2,510,910)	(\$3,256,663)	(\$5,767,573)
6	Reduce Nursing Home Staffing Ratio to 2.6 Hours	Estimate of savings by reducing to 2.6 hours	1/1/2008	Indeterminate		
7	Developmental Disability Waiver Services Provided by State Plan in lieu of Waiver.	Provide an estimate of the savings achieved by providing waiver services provided to individuals under age 21 through the Medicaid state plan. (revised to target 5 services)	1/1/2008	(\$2,235,231)	(\$2,952,124)	(\$5,187,355)
8	Reduce Prescription Drug Costs	Please provide a separate calculation for each component of the issue to reduce prescribed drugs costs included in Schedule VIII-B (Issue 33B2270).	1/1/2008	(\$9,200,000)	(\$12,150,661)	(\$21,350,661)

# Medicaid Impact Conference Issues

September 14, 2007

Item #	Issue	Action	Proposed Start Date	General Revenue	Trust Fund	Total
9	Schedule VIII-B Reductions	Provide updated estimates for any Schedule VIII-B issues where annualized reduction is not 50% of total or that cannot be implemented by January 1, 2008.				
9.01	Priority #1	General Revenue Reversion for SFY2006/07/Drug Rebate Surplus/Additional County Intergovernmental Transfers	FY07/08	(\$73,615,121)		(\$73,615,121)
9.02	Priority #2	Reduce Expense and Contracted Services	1/1/2008	(\$695,688)	(\$201,629)	(\$897,317)
9.03	Priority #3	Transfer of Worker's Compensation Medical Services Unit to DFS	FY07/08		(\$1,098,394)	(\$1,098,394)
9.04	Priority #4	Transfer 10% of the Resident Protection Trust Fund to General Revenue	FY07/08		(\$77,672)	(\$77,672)
9.05	Priority #5	Reduce vacant positions in field operations and certificate of need program	FY07/08		(\$199,266)	(\$199,266)
9.06	Priority #6	Eliminate contract with the patient safety corporation	FY07/08	(\$750,000)		(\$750,000)
9.07	Priority #7	Eliminate contract with teaching nursing home	FY07/08	(\$625,000)		(\$625,000)
9.08	Priority #8	Limit travel for surveys in plans and construction	FY07/08		(\$55,000)	(\$55,000)
9.09	Priority #9	Eliminate expenditures for the Family Café	FY07/08	(\$100,000)	(\$100,000)	(\$200,000)
9.10	Priority #10	Florida Senior Care Pilot Program Implementation	1/1/2008	(\$166,452)	(\$166,451)	(\$332,902)
9.11	Priority #11	Reduce prescription drug cost (4% reduction)	1/1/2008	(\$9,277,422)	(\$12,331,931)	(\$21,609,353)
9.12	Priority #12	Hospital Inpatient Rate Reduction (4% reduction)	1/1/2008	(\$24,422,736)	(\$32,774,618)	(\$57,197,354)
9.13	Priority #13	Hospital Outpatient Rate Reduction (4% reduction)	1/1/2008	(\$6,574,743)	(\$8,801,038)	(\$15,375,781)
9.14	Priority #14	Nursing Home Rate Reduction (4% reduction)	1/1/2008	(\$22,550,581)	(\$29,783,095)	(\$52,333,676)
9.15	Priority #15	HMO rate reduction (4% reduction)	1/1/2008	(\$16,762,843)	(\$22,390,811)	(\$39,153,653)
9.16	Priority #16 Nursing Home Diversion Penalty (Revised)	Nursing Home Diversion disenrollment penalty	1/1/2008	(\$626,313)	(\$827,187)	(\$1,453,500)
9.17	Priority #17	Nursing Home Part A Co-insurance/ Nursing Home Rate reversal	1/1/2008	(\$27,500,000)	(\$36,319,912)	(\$63,819,912)
9.18	Priority #18	Cost Reduction for Behavioral Health Overlay Services	1/1/2008	(\$882,657)	(\$1,165,746)	(\$2,048,403)

# Medicaid Impact Conference Issues

September 14, 2007

Item #	Issue	Action	Proposed Start Date	General Revenue	Trust Fund	Total
9.19	Priority #19 Elective Cesarean Sections (Revised)	Expand prior authorization of hospital inpatient to include elective cesarean sections	1/1/2008	\$0	\$0	\$0
9.20	Priority #20	Expand prior authorization of hospital inpatient to include length of stay for labor and delivery services	1/1/2008	(\$1,662,217)	(\$2,195,331)	(\$3,857,548)
9.21	Priority #21	Increase County contributions for Medicaid Nursing Home Care	1/1/2008	(\$37,674,636)	(\$37,674,636)	(\$75,349,272)
9.22	Priority #22	Limit payment of Hospital claims for Aliens to Federally required emergency days	1/1/2008	(\$14,087,252)	(\$18,605,373)	(\$32,692,625)
9.23	Priority #23	Elimination of the MedsAD waiver	1/1/2008	(\$52,931,110)	(\$69,907,390)	(\$122,838,499)
9.24	Priority #24	Restrict Medically Needy program to children and pregnant women	1/1/2008	(\$87,427,088)	(\$117,296,477)	(\$204,723,565)
10a	Reduce Dialysis Rates	Provide an estimate for a 2% reduction in rates.	1/1/2008	(\$42,441)	(\$55,963)	(\$98,404)
10b		Provide an estimate for a 5% reduction in rates.	1/1/2008	(\$106,102)	(\$139,908)	(\$246,010)
10c		Provide an estimate for a 10% reduction in rates.	1/1/2008	(\$212,204)	(\$279,815)	(\$492,019)
11	Medicare Part A Coinsurance/Deductible for QMB's Hospital Stay	Provide the estimated savings to reverse the implementation of payment of Medicare Part A coinsurances and deductibles passed during the 2007 session.	1/1/2008	(\$28,691,506)	(\$37,893,561)	(\$66,585,067)
12	Institutions for Mental Disease (IMD)	Provide the estimated savings to reverse the implementation of payment to other qualified providers for recipients in IMD's passed during the 2007 session.	1/1/2008	(\$2,585,400)	(\$3,414,600)	(\$6,000,000)
13	Freeze January 2008 Nursing Home Rates at July 2007 Level	Provide an estimate to freeze the January 2008 rates at the July 2007 level. Provide impact to Hospice rates.	1/1/2008	(\$22,674,927)	(\$29,947,867)	(\$52,622,794)
14	Freeze Hospital Inpatient and Outpatient Rates at July 2007 Level	Provide an estimate to freeze the January 2008 rates at the July 2007 level.	1/1/2008	(\$12,341,670)	(\$16,371,359)	(\$28,713,029)
15	Affect on Hospice Rates	Provide the affect on Hospice rates from the nursing home reduction options presented in the Schedule VIII-B.	1/1/2008	(\$3,502,162)	(\$4,626,560)	(\$8,128,722)

# Medicaid Impact Conference Issues

September 14, 2007

Item #	Issue	Action	Proposed Start Date	General Revenue	Trust Fund	Total
16	Increase Recipient Co-payments	Provide an estimate if all \$1 co-payments were increased to \$2 and all \$2 co-payments were increased to \$3. Provide a separate estimate of increasing all \$1&\$2 co-payments to \$3. List all estimates with the associated service.	N/A	\$0	\$0	\$0
16.1	Implementation of Pharmacy Co-pay	Provide an estimate of savings due to the implementation of maximum level co-pays for prescribed medicine.	1/1/2008	\$0	\$0	\$0
17	Reduce Reimbursement for Chain Pharmacies	Reimburse chain pharmacies at a lower rate (AWP - 17% or the WAC equivalent). For this exercise chains are considered corporations with 5 or more stores in Florida. Impact conference item.	1/1/2008	(\$1,669,738)	(\$2,205,262)	(\$3,875,000)
18	Nursing Home Provider Specific Target	Provide an estimate if the provider specific target were decreased from 2.0 to 1.4 beginning January 2008.	1/1/2008	(\$839,292)	(\$1,108,472)	(\$1,947,764)
19	Nursing Home Reimbursement	Provide an estimate of reversing the nursing home rebasing initiative that began July 2007, however, allow the provider specific target inflation rate to remain at 2.0	1/1/2008	(\$25,046,036)	(\$33,078,903)	(\$58,124,939)
20a	Expand managed Care Enrollment via change in policy for Areas 1 and 6.	Provide an estimate of savings by increasing managed care penetration by auto assigning non-choosers to a managed care plan in counties with 1 or more plans. Provide policy/methodology to implement.	3/1/2008	(\$201,062)	(\$268,261)	(\$469,323)
20b	Expand managed Care enrollment for new enrollees	Provide an estimate of savings by increasing managed care penetration for new enrollees in counties with two or more plans. Provide policy/methodology to implement.	3/1/2008	(\$576,438)	(\$769,098)	(\$1,345,536)
21	Nursing Home Expenditures	Provide an estimate of nursing home expenditures for FY 07-08 using the most recent information from the July 1, 2007 rate semester.	Current	(\$47,658,696)	(\$62,884,653)	(\$110,543,349)
22	Nursing Home Provider Assessment	Provide an estimate of revenue generated by reestablishing the nursing home assessment from Chapter 92-319 Laws of Florida.	1/1/2008	\$19,565,637	\$0	\$19,565,637

# Medicaid Impact Conference Issues

September 14, 2007

Item #	Issue	Action	Proposed Start Date	General Revenue	Trust Fund	Total
23	HMO Assessment	Provide an estimate of revenue by requiring an assessment of 1% of net revenue on HMO's in the state. (Annualized \$83,000,000 and is based on 1% of premiums)	1/1/2008	\$41,500,000	\$0	\$41,500,000
24a	Hospital Assessment HIP	Section 395.701 F.S. - Provide an estimate of revenue generated from increasing the inpatient hospital assessment to 1.75%.	Annualized	\$48,648,100	\$0	\$48,648,100
		Section 395.701 F.S. - Provide an estimate of revenue generated from increasing the inpatient hospital assessment to 2%.	Annualized	\$97,296,199	\$0	\$97,296,199
24b	Hospital Assessment HOP	Provide an estimate of revenue generated from increasing the outpatient hospital assessment to 1.25%.	Annualized	\$23,393,926	\$0	\$23,393,926
		Provide an estimate of revenue generated from increasing the outpatient hospital assessment to 1.5%.	Annualized	\$46,787,853	\$0	\$46,787,853
25	Reduce/Eliminate Medicaid Choice Counseling Contract (non-reform)	Provide an estimate for eliminating or reducing the current contract for Medicaid Choice Counseling Services. Please provide policy/methodology to implement.	N/A	\$0	\$0	\$0
26	Managed Care Expansion	Provide an estimate for eliminating MediPass for the managed care eligible mandatory population in counties where there are two or more plans and include the transition of current MediPass enrollees in the mandatory population.	3/1/2008	(\$1,339,642)	(\$1,787,384)	(\$3,127,026)

# Medicaid Impact Conference Issues

September 14, 2007

Proposal: Issue # 1A

<b>Proposal Name:</b>	<b>ELIMINATE CHIROPRACTIC SERVICES</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE FOR FULL PROGRAM REDUCTION</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$765,794)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	YES	s. 409.906(7),F.S., Chiropractic services as optional service.
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the handbook require a state plan amendment.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the fee schedule and handbook will be required due to this change in reimbursement.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		
<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have		Changes can be made through file maintenance and does not require a CSR as long as there are no exceptions.

# Medicaid Impact Conference Issues

September 14, 2007

## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 765,794)
<b>General Revenue:</b>	(\$ 328,353)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 433,605)
<b>Refugee Assistance Trust Fund:</b>	(\$ 3,836)
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

Attach Work Papers:

Eliminate Chiropractic

	One Year	Jan 1 start
TOTAL COST	(\$1,531,587)	(\$765,794)
TOTAL GENERAL REVENUE	(\$656,705)	(\$328,353)
TOTAL MEDICAL CARE TRUST FUND	(\$867,210)	(\$433,605)
TOTAL REFUGEE ASSISTANCE TF	(\$7,672)	(\$3,836)



# Medicaid Impact Conference Issues

September 14, 2007

## PHYSICIAN SERVICES

Eliminate Chiropractor

MEDICAID CASELOAD	913,583	913,583		
MEDICAID UTILIZATION RATE	141.39%	141.39%		
MEDICAID SERVICES/MONTH	1,291,700	1,291,700		
MEDICAID UNIT COST	\$41.84	\$41.77		
MEDICAID TOTAL COST	\$648,491,708	\$647,387,700	\$1,104,008	0.001702
CROSSOVER CASELOAD	387,672	387,672		
CROSSOVER UTILIZATION RATE	16.73%	16.73%		
CROSSOVER SERVICES/MONTH	64,850	64,850		
CROSSOVER UNIT COST	\$34.40	\$34.40		
CROSSOVER COST	\$26,767,718	\$26,767,718		
PHYSICIAN UPL	\$44,000,000	\$44,000,000		
TOTAL COST	\$719,259,426	\$718,155,418	(\$1,104,008)	
TOTAL GENERAL REVENUE	\$206,877,557	\$206,403,992	(\$473,565)	
TOTAL MEDICAL CARE TRUST FUND	\$426,426,707	\$425,801,463	(\$625,244)	
TOTAL REFUGEE ASSISTANCE TF	\$3,387,465	\$3,382,266	(\$5,199)	
TOTAL TOBACCO SETTLEMENT TF	\$82,567,697	\$82,567,697	\$0	
TOTAL GRANTS AND DONATIONS TF	\$0	\$0		

# Medicaid Impact Conference Issues

September 14, 2007

## PREPAID HEALTH PLAN

CASELOAD	712,632	712,632	
UNIT COST	\$224.26	\$224.21	0.05
TOTAL COST	\$1,917,744,499	\$1,917,316,920	
CASELOAD-MENTAL HEALTH	555,629	555,629	
UNIT COST	\$41.45	\$41.45	
TOTAL COST	\$276,370,279	\$276,370,279	
TOTAL COST	\$2,194,114,778	\$2,193,687,199	(\$427,579)
TOTAL GENERAL REVENUE	\$939,778,331	\$939,595,191	(\$183,140)
TOTAL OTHER STATE FUNDS	\$0		
TOTAL MEDICAL CARE TRUST FUND	\$1,241,646,399	\$1,241,404,433	(\$241,966)
TOTAL REFUGEE ASSISTANCE TF	\$12,690,048	\$12,687,575	(\$2,473)
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	\$0
TOTAL GRANTS AND DONATIONS TF	\$0	\$0	\$0

# Medicaid Impact Conference Issues

August 29, 2007

Proposal: Issue # 1B

<b>Proposal Name:</b>	<b>REDUCE CHIROPRACTIC SERVICES</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE FOR A 4% REDUCTION IN RATES.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$ 22,080)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the handbook require a state plan amendment.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the fee schedule and handbook will be required due to this change in reimbursement.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		
<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have		Changes can be made through file maintenance and does not require a CSR as long as there are no exceptions.

## Program Analysis:

*Impact Conference Document 9-14-07Revised post 9-14 confer (2).doc*

# Medicaid Impact Conference Issues

August 29, 2007

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 22,080)
<b>General Revenue:</b>	(\$ 9,471)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 12,505)
<b>Refugee Assistance Trust Fund:</b>	(\$ 104)
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

Attach Work Papers:

4% reduction

	One Year	Jan 1 start
TOTAL COST	(\$44,160)	(\$22,080)
TOTAL GENERAL REVENUE	(\$18,942)	(\$9,471)
TOTAL MEDICAL CARE TRUST FUND	(\$25,010)	(\$12,505)
TOTAL REFUGEE ASSISTANCE TF	(\$208)	(\$104)

# Medicaid Impact Conference Issues

August 29, 2007

## PHYSICIAN SERVICES

4% reduction

MEDICAID CASELOAD	913,583	913,583		
MEDICAID UTILIZATION RATE	141.39%	141.39%		
MEDICAID SERVICES/MONTH	1,291,700	1,291,700		
MEDICAID UNIT COST	\$41.84	\$41.83		
MEDICAID TOTAL COST	\$648,491,708	\$648,447,548	\$44,160	0.00006809647595
CROSSOVER CASELOAD	387,672	387,672		
CROSSOVER UTILIZATION RATE	16.73%	16.73%		
CROSSOVER SERVICES/MONTH	64,850	64,850		
CROSSOVER UNIT COST	\$34.40	\$34.40		
CROSSOVER COST	\$26,767,718	\$26,767,718		
PHYSICIAN UPL	\$44,000,000	\$44,000,000		
TOTAL COST	\$719,259,426	\$719,215,266	(\$44,160)	
TOTAL GENERAL REVENUE	\$206,877,557	\$206,858,615	(\$18,942)	
TOTAL MEDICAL CARE TRUST FUND	\$426,426,707	\$426,401,697	(\$25,010)	
TOTAL REFUGEE ASSISTANCE TF	\$3,387,465	\$3,387,257	(\$208)	
TOTAL TOBACCO SETTLEMENT TF	\$82,567,697	\$82,567,697	\$0	
TOTAL GRANTS AND DONATIONS TF	\$0	\$0		

# Medicaid Impact Conference Issues

August 29, 2007

## PREPAID HEALTH PLAN

CASELOAD	712,632	712,632	
UNIT COST	\$224.26	\$224.26	0
TOTAL COST	\$1,917,744,499	\$1,917,744,499	
CASELOAD-MENTAL HEALTH	555,629	555,629	
UNIT COST	\$41.45	\$41.45	
TOTAL COST	\$276,370,279	\$276,370,279	
TOTAL COST	\$2,194,114,778	\$2,194,114,778	\$0
TOTAL GENERAL REVENUE	\$939,778,331	\$939,778,331	\$0
TOTAL OTHER STATE FUNDS	\$0		
TOTAL MEDICAL CARE TRUST FUND	\$1,241,646,399	\$1,241,646,399	\$0
TOTAL REFUGEE ASSISTANCE TF	\$12,690,048	\$12,690,048	\$0
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	\$0
TOTAL GRANTS AND DONATIONS TF	\$0	\$0	\$0

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 2A

<b>Proposal Name:</b>	<b>ELIMINATE PODIATRIC SERVICES</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE FOR FULL PROGRAM REDUCTION</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$2,021,400)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	YES	s. 409.906(19),F.S., Podiatric services as optional service
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the handbook require a state plan amendment.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the fee schedule and handbook will be required due to this change in reimbursement.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<p><b>Additional Comment(s):</b>          Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>This reduction would also impact access to orthopedic services as many podiatrists provide orthopedic services. There is currently a shortage of orthopedic providers.</p> <p>Changes can be made through file maintenance and does not require a CSR as long as there are no exceptions.</p>
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## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on the July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 2,021,400)
<b>General Revenue:</b>	(\$ 866,701)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 1,144,536)
<b>Refugee Assistance Trust Fund:</b>	(\$ 10,163)
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	



# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Attach Work Papers:

## Eliminate Podiatry

	One Year	Jan 1 start
TOTAL COST	(\$4,042,799)	(\$2,021,400)
TOTAL GENERAL REVENUE	(\$1,733,402)	(\$866,701)
TOTAL MEDICAL CARE TRUST FUND	(\$2,289,071)	(\$1,144,536)
TOTAL REFUGEE ASSISTANCE TF	(\$20,326)	(\$10,163)

## PHYSICIAN SERVICES

eliminate  
Podiatric

MEDICAID CASELOAD	913,583	913,583		
MEDICAID UTILIZATION RATE	141.39%	141.39%		
MEDICAID SERVICES/MONTH	1,291,700	1,291,700		
MEDICAID UNIT COST	\$41.84	\$41.65		
MEDICAID TOTAL COST	\$648,491,708	\$645,646,131	\$2,845,577	0.004388
CROSSOVER CASELOAD	387,672	387,672		
CROSSOVER UTILIZATION RATE	16.73%	16.73%		
CROSSOVER SERVICES/MONTH	64,850	64,850		
CROSSOVER UNIT COST	\$34.40	\$34.40		
CROSSOVER COST	\$26,767,718	\$26,767,718		
PHYSICIAN UPL	\$44,000,000	\$44,000,000		
TOTAL COST	\$719,259,426	\$716,413,849	(\$2,845,577)	
TOTAL GENERAL REVENUE	\$206,877,557	\$205,656,947	(\$1,220,610)	
TOTAL MEDICAL CARE TRUST FUND	\$426,426,707	\$424,815,142	(\$1,611,565)	
TOTAL REFUGEE ASSISTANCE TF	\$3,387,465	\$3,374,063	(\$13,402)	
TOTAL TOBACCO SETTLEMENT TF	\$82,567,697	\$82,567,697	\$0	
TOTAL GRANTS AND DONATIONS TF	\$0	\$0		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## PREPAID HEALTH PLAN

CASELOAD	712,632	712,632	
UNIT COST	\$224.26	\$224.12	0.14
TOTAL COST	\$1,917,744,499	\$1,916,547,277	
CASELOAD-MENTAL HEALTH	555,629	555,629	
UNIT COST	\$41.45	\$41.45	
TOTAL COST	\$276,370,279	\$276,370,279	
TOTAL COST	\$2,194,114,778	\$2,192,917,556	(\$1,197,222)
TOTAL GENERAL REVENUE	\$939,778,331	\$939,265,539	(\$512,792)
TOTAL OTHER STATE FUNDS	\$0		
TOTAL MEDICAL CARE TRUST FUND	\$1,241,646,399	\$1,240,968,893	(\$677,506)
TOTAL REFUGEE ASSISTANCE TF	\$12,690,048	\$12,683,124	(\$6,924)
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	\$0
TOTAL GRANTS AND DONATIONS TF	\$0	\$0	\$0

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 2B

<b>Proposal Name:</b>	<b>REDUCE PODIATRIC SERVICES</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE FOR A 4% REDUCTION IN RATES.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$82,567)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the handbook require a state plan amendment.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the fee schedule and handbook will be required due to this change in reimbursement.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<p><b>Additional Comment(s):</b>          Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>This reduction would also impact access to orthopedic services as many podiatrists provide orthopedic services. There is currently a shortage of orthopedic providers.</p> <p>Changes can be made through file maintenance and does not require a CSR as long as there are no exceptions.</p>
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## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 82,567)
<b>General Revenue:</b>	(\$ 35,400)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 46,750)
<b>Refugee Assistance Trust Fund:</b>	(\$ 417)
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Attach Work Papers:

4% reduction

	One Year	Jan 1 start
TOTAL COST	(\$165,133)	(\$82,567)
TOTAL GENERAL REVENUE	(\$70,801)	(\$35,400)
TOTAL MEDICAL CARE TRUST FUND	(\$93,499)	(\$46,750)
TOTAL REFUGEE ASSISTANCE TF	(\$833)	(\$417)

## PHYSICIAN SERVICES

4% reduction

MEDICAID CASELOAD	913,583	913,583		
MEDICAID UTILIZATION RATE	141.39%	141.39%		
MEDICAID SERVICES/MONTH	1,291,700	1,291,700		
MEDICAID UNIT COST	\$41.84	\$41.83		
MEDICAID TOTAL COST	\$648,491,708	\$648,377,885	\$113,823	0.000176

CROSSOVER CASELOAD	387,672	387,672		
CROSSOVER UTILIZATION RATE	16.73%	16.73%		
CROSSOVER SERVICES/MONTH	64,850	64,850		
CROSSOVER UNIT COST	\$34.40	\$34.40		
CROSSOVER COST	\$26,767,718	\$26,767,718		

PHYSICIAN UPL	\$44,000,000	\$44,000,000		
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TOTAL COST	\$719,259,426	\$719,145,603	(\$113,823)	
TOTAL GENERAL REVENUE	\$206,877,557	\$206,828,733	(\$48,824)	
TOTAL MEDICAL CARE TRUST FUND	\$426,426,707	\$426,362,244	(\$64,463)	
TOTAL REFUGEE ASSISTANCE TF	\$3,387,465	\$3,386,929	(\$536)	
TOTAL TOBACCO SETTLEMENT TF	\$82,567,697	\$82,567,697	\$0	
TOTAL GRANTS AND DONATIONS TF	\$0	\$0		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## PREPAID HEALTH PLAN

CASELOAD	712,632	712,632	
UNIT COST	\$224.26	\$224.25	0.006
TOTAL COST	\$1,917,744,499	\$1,917,693,189	
CASELOAD-MENTAL HEALTH	555,629	555,629	
UNIT COST	\$41.45	\$41.45	
TOTAL COST	\$276,370,279	\$276,370,279	
TOTAL COST	\$2,194,114,778	\$2,194,063,468	(\$51,310)
TOTAL GENERAL REVENUE	\$939,778,331	\$939,756,354	(\$21,977)
TOTAL OTHER STATE FUNDS	\$0		
TOTAL MEDICAL CARE TRUST FUND	\$1,241,646,399	\$1,241,617,363	(\$29,036)
TOTAL REFUGEE ASSISTANCE TF	\$12,690,048	\$12,689,751	(\$297)
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	\$0
TOTAL GRANTS AND DONATIONS TF	\$0	\$0	\$0

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 3A

<b>Proposal Name:</b>	<b>REDUCE PRIVATE DUTY NURSING RATES</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE FOR A 2% REDUCTION IN RATES</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$1,222,084)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the handbook require a state plan amendment.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the fee schedule and handbook will be required due to this change in reimbursement.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		
<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have		The current private duty nursing rates were established in 1990. The state is currently experiencing a nursing shortage and a reduction to the rates could result in additional access to care issues.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on the July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$1,222,084)
<b>General Revenue:</b>	(\$ 527,708)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 694,376)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

### Attach Work Papers:

Reduce Private Duty Nursing Rates                      2%   Jan 1 start

TOTAL COST	(\$2,444,167)	(\$1,222,084)
TOTAL GENERAL REVENUE	(\$1,055,416)	(\$527,708)
TOTAL MEDICAL CARE TRUST FUND	(\$1,388,751)	(\$694,376)



# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## PRIVATE DUTY NURSING SERV

2%

MEDICAID CASELOAD	1,152,808	1,152,808	
MEDICAID UTILIZATION RATE	3.41%	3.41%	
MEDICAID SERVICES PER MONTH	39,358	39,358	
MEDICAID UNIT COST	\$258.74	\$253.56	
MEDICAID TOTAL COST	\$122,199,541	\$119,755,374	(\$2,444,167)
TOTAL COST	\$122,199,541	\$119,755,374	(\$2,444,167)
TOTAL GENERAL REVENUE	\$52,646,031	\$51,590,615	(\$1,055,416)
TOTAL MEDICAL CARE TRUST FUND	\$69,553,510	\$68,164,759	(\$1,388,751)
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

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 3B

<b>Proposal Name:</b>	<b>REDUCE PRIVATE DUTY NURSING RATES</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE FOR A 4% REDUCTION IN RATES</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$2,442,969)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the handbook require a state plan amendment.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the fee schedule and handbook will be required due to this change in reimbursement.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		
<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have		The current private duty nursing rates were established in 1990. The state is currently experiencing a nursing shortage and a reduction to the rates could result in additional access to care issues.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on the July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$2,442,969)
<b>General Revenue:</b>	(\$1,053,665)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$1,389,304)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

### Attach Work Papers:

Reduce Private Duty Nursing Rates                                      4%

TOTAL COST	(\$4,885,938)	(\$2,442,969)
TOTAL GENERAL REVENUE	(\$2,107,331)	(\$1,053,665)
TOTAL MEDICAL CARE TRUST FUND	(\$2,778,607)	(\$1,389,304)

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## PRIVATE DUTY NURSING SERV

4%

MEDICAID CASELOAD	1,152,808	1,152,808	
MEDICAID UTILIZATION RATE	3.41%	3.41%	
MEDICAID SERVICES PER MONTH	39,358	39,358	
MEDICAID UNIT COST	\$258.74	\$248.39	
MEDICAID TOTAL COST	\$122,199,541	\$117,313,603	(\$4,885,938)
TOTAL COST	\$122,199,541	\$117,313,603	(\$4,885,938)
TOTAL GENERAL REVENUE	\$52,646,031	\$50,538,700	(\$2,107,331)
TOTAL MEDICAL CARE TRUST FUND	\$69,553,510	\$66,774,903	(\$2,778,607)
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

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 4A

<b>Proposal Name:</b>	<b>REDUCE HOME HEALTH PROVIDER RATES</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE FOR A 2% REDUCTION IN RATES.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$2,422,252)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the handbook require a state plan amendment.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the fee schedule and handbook will be required due to this change in reimbursement.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		
<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have		A CSR will be needed to implement this policy change.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on the July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 2,422,252)
<b>General Revenue:</b>	(\$ 1,074,158)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 1,344,761)
<b>Refugee Assistance Trust Fund:</b>	(\$ 3,333)
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

### Attach Work Papers:

Reduce Home Health Provider Rates                      2%    Jan 1 start

TOTAL COST	(\$4,844,503)	(\$2,422,252)
TOTAL GENERAL REVENUE	(\$2,148,316)	(\$1,074,158)
TOTAL MEDICAL CARE TRUST FUND	(\$2,689,521)	(\$1,344,761)
TOTAL REFUGEE ASSISTANCE TF	(\$6,666)	(\$3,333)

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## HOME HEALTH SERVICES

2%

MEDICAID CASELOAD	913,583	913,583		
MEDICAID UTILIZATION RATE	46.27%	46.27%		
MEDICAID SERVICES PER MONTH	422,703	422,703		
MEDICAID UNIT COST	\$39.98	\$39.18		
MEDICAID TOTAL COST	\$202,812,902	\$198,738,042	(\$4,074,860)	0.02009
CROSSOVER CASELOAD	387,672	387,672		
CROSSOVER UTILIZATION RATE	11.02%	11.02%		
CROSSOVER SERVICES/MONTH	42,715	42,715		
CROSSOVER UNIT COST	\$14.91	\$14.91		
CROSSOVER TOTAL COST	\$7,644,385	\$7,644,385		
TOTAL COST	\$210,457,287	\$206,382,427	(\$4,074,860)	
TOTAL GENERAL REVENUE	\$90,633,132	\$88,814,468	(\$1,818,664)	
TOTAL MEDICAL CARE TRUST FUND	\$119,709,781	\$117,455,800	(\$2,253,981)	
TOTAL REFUGEE ASSISTANCE TF	\$114,374	\$112,159	(\$2,215)	
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	\$0	
TOTAL GRANTS AND DONATIONS	\$0	\$0	\$0	

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## PREPAID HEALTH PLAN

CASELOAD	712,632	712,632	
UNIT COST	\$224.26	\$224.17	-0.09
TOTAL COST	\$1,917,744,499	\$1,916,974,856	
CASELOAD-MENTAL HEALTH	555,629	555,629	
UNIT COST	\$41.45	\$41.45	
TOTAL COST	\$276,370,279	\$276,370,279	
TOTAL COST	\$2,194,114,778	\$2,193,345,135	(\$769,643)
TOTAL GENERAL REVENUE	\$939,778,331	\$939,448,679	(\$329,652)
TOTAL OTHER STATE FUNDS	\$0		
TOTAL MEDICAL CARE TRUST FUND	\$1,241,646,399	\$1,241,210,859	(\$435,540)
TOTAL REFUGEE ASSISTANCE TF	\$12,690,048	\$12,685,597	(\$4,451)
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	\$0
TOTAL GRANTS AND DONATIONS TF	\$0	\$0	\$0



# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 4B

<b>Proposal Name:</b>	<b>REDUCE HOME HEALTH PROVIDER RATES</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE FOR A 4% REDUCTION IN RATES.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$ 4,836,047)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the handbook require a state plan amendment.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the fee schedule and handbook will be required due to this change in reimbursement.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		
<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have		A CSR will be needed to implement this policy change.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on the July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 4,836,047)
<b>General Revenue:</b>	(\$ 2,112,131)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 2,717,254)
<b>Refugee Assistance Trust Fund:</b>	(\$ 6,662)
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

### Attach Work Papers:

Reduce Home Health Provider Rates                      4%    Jan 1 start

TOTAL COST	(\$9,672,093)	(\$4,836,047)
TOTAL GENERAL REVENUE	(\$4,224,262)	(\$2,112,131)
TOTAL MEDICAL CARE TRUST FUND	(\$5,434,508)	(\$2,717,254)
TOTAL REFUGEE ASSISTANCE TF	(\$13,323)	(\$6,662)

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## HOME HEALTH SERVICES

4%

MEDICAID CASELOAD	913,583		
MEDICAID UTILIZATION RATE	46.27%		
MEDICAID SERVICES PER MONTH	422,703		
MEDICAID UNIT COST	\$38.38		
MEDICAID TOTAL COST	\$194,680,094	(\$8,132,808)	-0.0401

CROSSOVER CASELOAD	387,672		
CROSSOVER UTILIZATION RATE	11.02%		
CROSSOVER SERVICES/MONTH	42,715		
CROSSOVER UNIT COST	\$14.91		
CROSSOVER TOTAL COST	\$7,644,385		

TOTAL COST	\$202,324,479	(\$8,132,808)	
TOTAL GENERAL REVENUE	\$87,068,173	(\$3,564,959)	
TOTAL MEDICAL CARE TRUST FUND	\$115,146,352	(\$4,563,429)	
TOTAL REFUGEE ASSISTANCE TF	\$109,954	(\$4,420)	
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	
TOTAL GRANTS AND DONATIONS	\$0	\$0	

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## PREPAID HEALTH PLAN

CASELOAD	712,632	
UNIT COST	\$224.08	-0.18
TOTAL COST	\$1,916,205,214	

CASELOAD-MENTAL HEALTH	555,629	
UNIT COST	\$41.45	
TOTAL COST	\$276,370,279	

TOTAL COST	\$2,192,575,493	(\$1,539,285)
TOTAL GENERAL REVENUE	\$939,119,028	(\$659,303)
TOTAL OTHER STATE FUNDS		
TOTAL MEDICAL CARE TRUST FUND	\$1,240,775,320	(\$871,079)
TOTAL REFUGEE ASSISTANCE TF	\$12,681,145	(\$8,903)
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0
TOTAL GRANTS AND DONATIONS TF	\$0	\$0

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 5A

<b>Proposal Name:</b>	<b>REDUCE HOSPICE RATES</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE FOR A 2% REDUCTION IN RATES.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$ 2,883,928)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the handbook require a state plan amendment.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the fee schedule and handbook will be required due to this change in reimbursement.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		
<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have		Note: if this reduction is authorized in addition to a reduction to nursing home rates, there will be reductions to the hospice rates.



# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## HOSPICE

2%

MEDICAID CASELOAD	6,821	6,821	
MEDICAID UNIT COST	\$3,523.19	\$3,452.72	
MEDICAID TOTAL COST	\$288,379,892	\$282,612,037	(\$5,767,855)
TOTAL COST	\$288,379,892	\$282,612,037	(\$5,767,855)
TOTAL GENERAL REVENUE	\$124,244,995	\$121,749,266	(\$2,495,729)
TOTAL MEDICAL CARE TRUST FUND	\$164,093,355	\$160,862,771	(\$3,230,584)
TOTAL REFUGEE ASSISTANCE TF	\$41,542	\$41,542	\$0
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	\$0
TOTAL GRANTS AND DONATIONS TF	\$0	\$0	\$0

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 5B

<b>Proposal Name:</b>	<b>REDUCE HOSPICE RATES</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE FOR A 4% REDUCTION IN RATES.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$5,767,573)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the handbook require a state plan amendment.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the fee schedule and handbook will be required due to this change in reimbursement.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		
<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have		Note: if this reduction is authorized in addition to a reduction to nursing home rates, there will be reductions to the hospice rates.





# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## HOSPICE

4%

MEDICAID CASELOAD	6,821	6,821	
MEDICAID UNIT COST	\$3,523.19	\$3,382.26	
MEDICAID TOTAL COST	\$288,379,892	\$276,844,746	(\$11,535,146)
TOTAL COST	\$288,379,892	\$276,844,746	(\$11,535,146)
TOTAL GENERAL REVENUE	\$124,244,995	\$119,264,717	(\$4,980,278)
TOTAL MEDICAL CARE TRUST FUND	\$164,093,355	\$157,580,029	(\$6,513,326)
TOTAL REFUGEE ASSISTANCE TF	\$41,542	\$41,542	\$0
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	\$0
TOTAL GRANTS AND DONATIONS TF	\$0	\$0	\$0

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 6

<b>Proposal Name:</b>	<b>REDUCE NURSING HOME STAFFING RATIO TO 2.6 HOURS</b>
<b>Brief Description of Proposal:</b>	<b>ESTIMATE OF SAVINGS BY REDUCING TO 2.6 HOURS.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>Indeterminate</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	State Plan amendments are required when rule changes are made.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	A rule change is required for this issue. If authority is granted, the policy would be effective January 1, 2008.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<p><b>Additional Comment(s):</b>          Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>The implementation of this policy resulted in changes reflected in the rates for the providers. Savings from revising this policy may not be immediate and would be obtained in future rate semesters through the rate setting process.</p> <p>Savings will not exceed the amount indicated above, and will likely be lower than that amount.</p>
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## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on work papers specific to reverse on staffing ratio from 2.6 to 2.9 hours.
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	Indeterminate
<b>General Revenue:</b>	
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Attach Work Papers:

FY0708

Estimated cost of staffing to 2.9      Reduce to 2.6 as of Jan 2008

Total	(\$67,821,696)	(\$33,910,848)
General Revenue	(\$29,278,626)	(\$14,639,313)
Medical Care Trust Fund	(\$38,543,070)	(\$19,271,535)

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 7

<b>Proposal Name:</b>	<b>DEVELOPMENTAL DISABILITY WAIVER SERVICES PROVIDED BY STATE PLAN IN LIEU OF WAIVER</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE OF THE SAVINGS ACHIEVED BY PROVIDING WAIVER SERVICES PROVIDED TO INDIVIDUALS UNDER AGE 21 THROUGH THE MEDICAID STATE PLAN. (REVISED TO REFLECT 5 SERVICES PER AUGUST 29<sup>TH</sup> CONFERENCE)</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>\$(5,187,355)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the handbook require a state plan amendment.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the fee schedule and handbook will be required due to this change in reimbursement.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	YES	Technical amendments may be required to the existing waiver.
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<b>Language Provided In the Governors Recommendations</b>	
<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have	This analysis targets the following services: <ul style="list-style-type: none"> <li>○ Personal Care Services</li> <li>○ Skilled Nursing Services</li> <li>○ Physical Therapy</li> <li>○ Occupational Therapy</li> <li>○ Speech Therapy</li> </ul> <p>The Agency is currently working with APD to explore options related to the proposed transition. However, no direction or action is final at this time.</p>

## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	
<b>Comment:</b>	Calculations based on the July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$5,187,355)
<b>General Revenue:</b>	(\$2,235,231)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$2,952,124)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Attach Work Papers:

SUBSTITUTION OF STATE PLAN SERVICES FOR WAIVER SERVICES UNDER THE DS WAIVER  
FY0708

			Total for Year	Add to	Net to State	Jan start
			Reduce APD	Medicaid		date
MEDICAID SERVICES-DEV						
DLB	355,434	331,276	(24,158)	24,158		
MEDICAID UNIT COST	\$180.26	\$187.44	\$81.78	\$45.99		
MEDICAID TOTAL COST	\$768,835,796	\$745,128,197	(\$23,707,599)	\$13,332,889		
TOTAL	\$768,835,796	\$745,128,197	(\$23,707,599)	\$13,332,889	(\$10,374,710)	(\$5,187,355)
GENERAL REVENUE FROM						
APD	\$331,291,344	\$321,075,740	(\$10,215,604)	\$5,745,142	(\$4,470,462)	(\$2,235,231)
MEDICAL CARE TRUST FUND	\$437,544,452	\$424,052,457	(\$13,491,995)	\$7,587,747	(\$5,904,248)	(\$2,952,124)
Total State Plan Expenditures	\$95,442,994					



# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 8

<b>Proposal Name:</b>	<b>REDUCE PRESCRIPTION DRUG COSTS</b>
<b>Brief Description of Proposal:</b>	<b>PLEASE PROVIDE A SEPARATE CALCULATION FOR EACH COMPONENT OF THE ISSUE TO REDUCE PRESCRIBED DRUGS COST INCLUDED IN SCHEDULE VIII-B (ISSUE 33B2270).</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$21,350,661)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	YES	Statutory percentage in prescribed drug provider reimbursement calculation must be changed.
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	NO	
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Pharmacy reimbursement calculation must be changed.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<p><b>Additional Comment(s):</b>          Administrator’s professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>This action will lower reimbursement to retail pharmacy providers of Medicaid prescribed drug services and could reduce access to services, particularly in rural areas served by small or independent pharmacies.</p>
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## Program Analysis:

<b>Lead Analyst:</b>	Marie Donnelly (PS)
<b>Secondary Analyst:</b>	
<b>Comment:</b>	Calculations based on pharmacy work papers specific to this request using current pharmacy data.
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$21,350,661)
<b>General Revenue:</b>	(\$ 9,200,000)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$12,150,661)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

Attach Work Papers:

Examples of drug categories included in the “Increase supplemental rebates in less competitive categories” stated in the table below are: atypical antipsychotic, SSRI antidepressants, ADHD Drugs, and anticonvulsants.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Summary of Analysis of Pharmacy Reduction Options 8-24-07

	Description	Issues	Potential Annual Savings	GR Annual Savings	Jan 1, 2008 Total Savings (50% of Annual)	Jan 1, 2008 GR Savings (50% of Annual)
8 a.	Ingredient Cost Reimbursement reduction from:  <b>WAC + 1.75 and AWP – 18.6</b>	Would reduce price reimbursement to retail pharmacy.	\$20.5 million	\$8.8 million	<b>\$10.25 million</b>	<b>\$4.4 million</b>
8 b.	Reduce waste in Synagis utilization by providing through physician services rather than as a prescribed drug service	Requiring physicians to purchase the drug directly from the wholesaler and bill for Medicaid patients through physician claims will eliminate current waste/misuse.	\$3.3 million annually	\$1.42 million	<b>\$1.65 million</b>	<b>\$0.71 million</b>
8 c.	Decrease AWP reimbursement for non SMAC, non FUL generics	While these drugs currently average AWP – 49%, could possibly reach average of 60% based on SMAC contractor’s pricing algorithm	\$7.4 million annually	\$3.18 million	<b>\$3.7 million</b>	<b>\$1.59 million</b>
8 d.	Increase supplemental rebates in less competitive categories	Contractor is developing proposals for P&T consideration that may achieve 3%-5% additional rebate in affected categories	\$11.61 million	\$5 million	<b>\$5.81 million</b>	<b>\$2.5 million</b>

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 9A

<b>Proposal Name:</b>	<b>Priority Issue # 16 Nursing Home Diversion Penalty</b>
<b>Brief Description of Proposal:</b>	<b>Assessment of nursing home diversion disenrollment penalty.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$ 1,453,500)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	NO	
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	NO	
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	YES	An approved amendment to the 1915 C Nursing Home Diversion Waiver would be needed prior to imposing fees or penalties for this program.
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<p><b>Additional Comment(s):</b>          Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>Amendment to the current provider contract would be required prior to imposing fees or penalties for this program. In addition, system changes would be required.</p>
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**Program Analysis:**

<b>Lead Analyst:</b>	Keith Young (MS)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Based on work papers related to disenrollment data and penalty established through rate certification process. Savings for FY2007/08 are 50% of annual estimate.
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 1,453,500)
<b>General Revenue:</b>	(\$ 626,313)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 827,187)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

**Attach Work Papers:**

The Nursing Home Diversion program has changed its Hospice disenrollment policy for FY 07-08. Prior to the policy change, program beneficiaries were required to disenroll from the program when hospice care was elected. Under the old policy, a significant number of the disenrolled Nursing Home Diversion recipients went into the nursing home to receive their hospice care because the recipients could no longer cover the room and board costs of their assisted living facility.

With the revised policy, we expect Nursing Home Diversion disenrollments to decline sharply. Since a large number of Nursing Home Diversion recipients live in assisted living facilities, the new policy will allow them to remain in their current residences and receive hospice care.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

After reviewing the Nursing Home Diversion disenrollments for FY 06-07, it was found that 791 disenrollments had a Medicaid fee-for-service Nursing facility claim within 2 months. For the same period, 642 Nursing Home Diversion disenrollments due to hospice election were processed.

## Updated NHD Disenrollment Fee Saving Projection

Projected NHD enrollment X \*Projected Program Disenrollment rate =  $10,000 * .015^{**} = 150$

Disenrollment Fee per recipient= Average NF per diem x average days in month X 6 months = \$19,380

= \$164.73 per diem X 30.4 days X 6 months= \$19,380

150\*\*\* disenrollments X \$19,380 = 2,907,000.

Updated Savings Projection from NHD Disenrollment Fee for FY 07-08 = \$2,907,000

## Updated Savings Projection Detail

\*Projected enrollment for FY 07-08 = 10,000--Based upon FY 07-08 program appropriations

\*\*Projected Disenrollment rate for persons receiving Medicaid fee for services Nursing Facility care within two months of NHD disenrollment and hospice care was not elected = 1.5%

791 = number of FY 06-07 disenrollments when Medicaid fee for service Nursing Facility care received within two months of NHD disenrollment

642 = number of FY 06-07 disenrollments for hospice care

149 = number of FY 06-07 disenrollments where Medicaid fee for service Nursing Facility care received within two months of NHD disenrollment and hospice not elected

\*\*\*Projected 07-08 disenrollments where recipients receive Medicaid fee for service Nursing Facility care within two months = 150

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 9B

<b>Proposal Name:</b>	<b>Priority Issue # 19 Elective Cesarean Sections</b>
<b>Brief Description of Proposal:</b>	<b>Expand prior authorization of hospital inpatient to include elective cesarean sections</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>7/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$0)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	NO	
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	UB04 Handbook will require updating and rule development Rule development would take an estimated 4 months
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<p><b>Additional Comment(s):</b>          Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have.</p>	<p>The current system FMMIS has been hard coded to bypass all prior authorization requirements for the delivery (vaginal and c-section) codes. A CSR would be required prior to implementing this issue</p> <p>The Florida Hospital Association states this may be cumbersome for providers. The Agency currently is not aware of any commercial payor that prior authorizes cesarean sections.</p>
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**Program Analysis:**

<b>Lead Analyst:</b>	Diane Weller (M.S.)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$0)
<b>General Revenue:</b>	(\$0)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$0)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

Attach Work Papers: There are no savings related to the implementation of this policy for state fiscal year 2007/08.

Changes to the KePRO system and contract are estimated at \$2,523,750 annually, to provide for the expansion of authorization to all delivery services. This is based on data obtained from the DSS team which gives a total TCN count of 100,950 claims paid for Calendar Year 2006. The assumption for all delivery services was made since most of the diagnosis codes in the range which is currently exempt from KePRO review, can be used for either delivery type. The Agency would have to request that KePRO review all deliveries, providing an expedited review for uncomplicated deliveries which would give an automatic approval for the days which are reimbursed according to the Newborns and Mothers Health Protection Act of 1996.



# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 10A

<b>Proposal Name:</b>	<b>REDUCE DIALYSIS RATES</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE FOR A 2% REDUCTION IN RATES.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$98,404)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.		
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the handbook require a state plan amendment.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the fee schedule and handbook will be required due to this change in reimbursement.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		
<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have		A CSR will be needed to implement this policy change.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on the July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 98,404)
<b>General Revenue:</b>	(\$ 42,441)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 55,870)
<b>Refugee Assistance Trust Fund:</b>	(\$ 93)
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

Attach Work Papers:

Reduce dialysis Rates

2% Jan 1  
start

TOTAL COST	(\$196,807)	(\$98,404)
TOTAL GENERAL REVENUE	(\$84,882)	(\$42,441)
TOTAL MEDICAL CARE TRUST FUND	(\$111,740)	(\$55,870)
TOTAL REFUGEE ASSISTANCE TF	(\$185)	(\$93)

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## DIALYSIS CENTER

MEDICAID CASELOAD	913,583	Claims	11,016	2%
MEDICAID UTILIZATION RATE	0.10%	With dialysis	9,340	9,340
MEDICAID SERVICES PER MONTH	918	Units	78,723	78,723
MEDICAID UNIT COST	\$1,517.65	Cost per unit	\$125	\$123
MEDICAID TOTAL COST	\$16,718,378	Cost for dialysis	\$9,840,375	\$9,643,568
		Cost for Epogen	\$6,878,003	\$6,878,003
		Total cost	\$16,718,378	\$16,521,571
TOTAL COST	\$16,718,378			(\$196,807)
TOTAL GENERAL REVENUE	\$7,197,176			(\$84,882)
TOTAL MEDICAL CARE TRUST FUND	\$9,505,482			(\$111,740)
TOTAL REFUGEE ASSISTANCE TF	\$15,720			(\$185)
TOTAL TOBACCO SETTLEMENT TF	\$0			
TOTAL GRANTS AND DONATIONS TF	\$0			

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 10B

<b>Proposal Name:</b>	<b>REDUCE DIALYSIS RATES</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE FOR A 5% REDUCTION IN RATES.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$246,010)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the handbook require a state plan amendment.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the fee schedule and handbook will be required due to this change in reimbursement.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		
<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have		A CSR will be needed to implement this policy change.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on the July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 246,010)
<b>General Revenue:</b>	(\$ 106,102)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 139,676)
<b>Refugee Assistance Trust Fund:</b>	(\$ 232)
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$ 0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

## Attach Work Papers:

Reduce dialysis Rates

5% Jan 1 start

TOTAL COST	(\$492,019)	(\$246,010)
TOTAL GENERAL REVENUE	(\$212,205)	(\$106,102)
TOTAL MEDICAL CARE TRUST FUND	(\$279,351)	(\$139,676)
TOTAL REFUGEE ASSISTANCE TF	(\$463)	(\$232)

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## DIALYSIS CENTER

MEDICAID CASELOAD	913,583	Claims	11,016	5%
MEDICAID UTILIZATION RATE	0.10%	With dialysis	9,340	11,016
MEDICAID SERVICES PER MONTH	918	Units	78,723	9,340
MEDICAID UNIT COST	\$1,517.65	Cost per unit	\$125	78,723
MEDICAID TOTAL COST	\$16,718,378	Cost for dialysis	\$9,840,375	\$119
		Cost for Epogen	\$6,878,003	\$9,348,356
		Total cost	\$16,718,378	\$6,878,003
				\$16,226,359
TOTAL COST	\$16,718,378			(\$492,019)
TOTAL GENERAL REVENUE	\$7,197,176			(\$212,205)
TOTAL MEDICAL CARE TRUST FUND	\$9,505,482			(\$279,351)
TOTAL REFUGEE ASSISTANCE TF	\$15,720			(\$463)
TOTAL TOBACCO SETTLEMENT TF	\$0			
TOTAL GRANTS AND DONATIONS TF	\$0			

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 10C

<b>Proposal Name:</b>	<b>REDUCE DIALYSIS RATES</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE FOR A 10% REDUCTION IN RATES.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$ 492,019)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the handbook require a state plan amendment.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the fee schedule and handbook will be required due to this change in reimbursement.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		
<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have		A CSR will be needed to implement this policy change.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on the July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 492,019)
<b>General Revenue:</b>	(\$ 212,204)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 279,352)
<b>Refugee Assistance Trust Fund:</b>	(\$ 463)
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

### Attach Work Papers:

Reduce dialysis Rates

10% Jan 1 start

TOTAL COST	(\$984,037)	(\$492,019)
TOTAL GENERAL REVENUE	(\$424,409)	(\$212,204)
TOTAL MEDICAL CARE TRUST FUND	(\$558,703)	(\$279,352)
TOTAL REFUGEE ASSISTANCE TF	(\$925)	(\$463)



# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## DIALYSIS CENTER

MEDICAID CASELOAD	913,583	Claims	11,016	10%	11,016
MEDICAID UTILIZATION RATE	0.10%	With dialysis	9,340		9,340
MEDICAID SERVICES PER MONTH	918	Units	78,723		78,723
MEDICAID UNIT COST	\$1,517.65	Cost per unit	\$125		\$113
MEDICAID TOTAL COST	\$16,718,378	Cost for dialysis	\$9,840,375		\$8,856,338
		Cost for Epogen	\$6,878,003		\$6,878,003
		Total cost	\$16,718,378		\$15,734,341
TOTAL COST	\$16,718,378				(\$984,037)
TOTAL GENERAL REVENUE	\$7,197,176				(\$424,409)
TOTAL MEDICAL CARE TRUST FUND	\$9,505,482				(\$558,703)
TOTAL REFUGEE ASSISTANCE TF	\$15,720				(\$925)
TOTAL TOBACCO SETTLEMENT TF	\$0				
TOTAL GRANTS AND DONATIONS TF	\$0				

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 11

<b>Proposal Name:</b>	<b>MEDICARE PART A COINSURANCE/DEDUCTIBLE FOR QMB'S HOSPITAL STAY (ALSO INCLUDES PHYSICIAN SERVICES)</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE THE ESTIMATED SAVINGS TO REVERSE THE IMPLEMENTATION OF PAYMENT OF MEDICARE PART A COINSURANCE AND DEDUCTIBLES APPROVED DURING THE 2007 SESSION.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$66,585,067)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	To retain federal funding (FFP) for Medicare crossover services, the Centers for Medicare and Medicaid Services (CMS) required that Florida Medicaid revise its State Plan and expand its Medicare cost sharing obligations for Qualified Medicare Beneficiaries (QMBs).  <b>Reversal of this would result in non-compliance with federal regulations.</b>
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	NO	
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<p><b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?</p>	NO	
<p><b>Language Provided In the Governors Recommendations</b></p>		
<p><b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>In a March 17, 2006 letter, the Centers for Medicare and Medicaid Services provided notice to Florida that this provision is out of compliance with 1902(a)(23) of the Social Security Act, implemented in federal regulations at 42 CFR 431.51. CMS is mandating that the state come into compliance or terminate coverage for this service.</p> <p>During the 2007 Legislative session, funding was provided to the Agency to address the compliance request to allow for Medicaid payment of additional co-insurance and deductibles for QMBs.</p>	

## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on FY 2007/08 GAA
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 66,585,067)
<b>General Revenue:</b>	(\$ 28,691,506)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 37,893,562)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Attach Work Papers:

	Annual FY07/08	Jan. 1, 2008
Hospital Stays	\$ 126,802,855	\$ 63,401,428
Physician Services	\$ 6,367,279	\$ 3,183,640
Total	\$ 133,170,134	\$ 66,585,067
GR	\$ 57,383,011	28,691,506
MCTR	\$ 75,787,123	37,893,562

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 12

<b>Proposal Name:</b>	<b>Institutions for Mental Disease (IMD)</b>
<b>Brief Description of Proposal:</b>	<b>Provide the estimated savings to reverse the implementation of payment to other qualified providers for recipients in IMD's passed during the 2007 session.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$6,000,000)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	A state plan was amended as needed to authorize an application process for any willing qualified provider that is licensed as either free-standing or public hospitals to apply to be a Medicaid mental health hospital provider. This process was completed to address Florida's noncompliance with federal regulations and the unmet need of this target population .  <b>Reversal of this would result in non-compliance with federal regulations.</b>
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	NO	
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<p><b>Will this proposal require additional staffing?</b> (Yes or No) If “Yes” provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?</p>	<p>NO</p>	
<p><b>Language Provided In the Governors Recommendations</b></p>		
<p><b>Additional Comment(s):</b>          Administrator’s professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>In a March 17, 2006 letter, the Centers for Medicare and Medicaid Services provided notice to Florida that this provision is out of compliance with 1902(a)(23) of the Social Security Act, implemented in federal regulations at 42 CFR 431.51. CMS is mandating that the state come into compliance or terminate coverage for this service.</p> <p>During the 2007 Legislative session, funding was provided to the Agency to address the compliance issue to allow services to expand to private psychiatric facilities.</p> <p>There are currently 4 state hospitals enrolled as Medicaid IMD providers for individuals age 65 and older who are currently providing services and billing Medicaid. Once the SPA and rule are finalized, there will be an additional 24 private psychiatric hospitals enrolled.</p>	

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on FY 2007/08 GAA
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 6,000,000)
<b>General Revenue:</b>	(\$ 2,585,400)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 3,414,600)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 13

<b>Proposal Name:</b>	<b>Freeze January 2008 Nursing Home Rates at July 2007 Level</b>
<b>Brief Description of Proposal:</b>	<b>Provide an estimate to freeze the January 2008 rates at the July 2007 level. Provide impact to Hospice Rates.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$52,622,794)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	State Plan amendments are required when rule changes are made.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	A rule change is required for this issue. If authority is granted, the policy would be effective January 1, 2008.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		



# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have	
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## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 52,622,794)
<b>General Revenue:</b>	(\$ 22,674,927)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 29,947,321)
<b>Refugee Assistance Trust Fund:</b>	(\$ 546)
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

Attach Work Papers:

Effect of Freezing Nursing Home Rates at the July 2007 level  
FY0708

NH &  
Hospice

TOTAL COST	(\$52,622,794)
TOTAL GENERAL REVENUE	(\$22,674,927)
TOTAL MEDICAL CARE TRUST FUND	(\$29,947,321)
TOTAL REFUGEE ASSISTANCE TF	(\$546)

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## NURSING HOMES

	46,859	46,859	0
SKILLED CARE CASELOAD	12,303	12,303	0
SKILLED CARE UNIT COST	\$5,279.70	\$5,182.92	(\$96.78)
SKILLED CARE TOTAL COST	\$779,473,579	\$765,185,521	(\$14,288,058)
CROSSOVER CASELOAD	3,171	3,171	0
CROSSOVER UNIT COST	\$184.82	\$181.88	(\$2.94)
CROSSOVER TOTAL COST	\$7,032,941	\$6,921,088	(\$111,853)
INTERMEDIATE CARE CASELOAD	29,917	29,917	0
INTERMEDIATE CARE UNIT COST	\$4,876.76	\$4,785.46	(\$91.30)
INTERMEDIATE CARE TOTAL COST	\$1,750,777,430	\$1,717,999,216	(\$32,778,214)
GENERAL CARE CASELOAD	1,468	1,468	0
GENERAL CARE UNIT COST	\$4,905.11	\$4,811.31	(\$93.80)
GENERAL CARE TOTAL COST	\$86,408,481	\$84,756,015	(\$1,652,466)
SPECIAL PAYMENTS TO NURSING HOMES	\$12,581,567	\$12,581,567	\$0
TOTAL COST	\$2,636,273,998	\$2,587,443,407	(\$48,830,591)
TOTAL GENERAL REVENUE	\$1,127,039,004	\$1,105,997,902	(\$21,041,102)
TOTAL MEDICAL CARE TRUST FUND	\$1,503,803,532	\$1,476,014,043	(\$27,789,489)
TOTAL REFUGEE ASSISTANCE TF	\$0	\$0	\$0
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	\$0
TOTAL GRANTS AND DONATIONS TF	\$5,431,462	\$5,431,462	\$0

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## HOSPICE

MEDICAID CASELOAD	6,821	6,821	0
MEDICAID UNIT COST	\$3,523.19	\$3,476.86	(\$46.33)
MEDICAID TOTAL COST	\$288,379,892	\$284,587,689	(\$3,792,203)
TOTAL COST	\$288,379,892	\$284,587,689	(\$3,792,203)
TOTAL GENERAL REVENUE	\$124,244,995	\$122,611,170	(\$1,633,825)
TOTAL MEDICAL CARE TRUST FUND	\$164,093,355	\$161,935,523	(\$2,157,832)
TOTAL REFUGEE ASSISTANCE TF	\$41,542	\$40,996	(\$546)
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	\$0
TOTAL GRANTS AND DONATIONS TF	\$0	\$0	\$0

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 14

<b>Proposal Name:</b>	<b>Freeze Hospital Inpatient and Outpatient Rates at July 2007 Level</b>
<b>Brief Description of Proposal:</b>	<b>Provide an estimate to freeze the January 2008 rates at the July 2007 level.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$28,713,029)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	State Plan amendments are required when rule changes are made.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	A rule change is required for this issue. If authority is granted, the policy would be effective January 1, 2008.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have	
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## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 28,713,029)
<b>General Revenue:</b>	(\$ 12,341,670)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 16,307,610)
<b>Refugee Assistance Trust Fund:</b>	(\$ 63,749)
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

Attach Work Papers:

Reduction in Expenditure from Freezing Hospital Rates in January 2008

HIP & HOP

TOTAL COST	(\$28,713,029)
TOTAL GENERAL REVENUE	(\$12,341,670)
TOTAL MEDICAL CARE TRUST FUND	(\$16,307,610)
TOTAL REFUGEE ASSISTANCE TF	(\$63,749)

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## HOSPITAL INPATIENT SERVICES

MEDICAID CASELOAD	914,594	914,594	0
MEDICAID UTILIZATION RATE	2.80%	2.80%	0.00%
MEDICAID ADMISSIONS PER MONTH	25,613	25,613	0
MEDICAID DAYS PER ADMISSION	4.93	4.93	0.00
MEDICAID PER DIEM	\$1,511.82	\$1,498.47	(\$13.36)
MEDICAID TOTAL COST	\$2,288,913,876	\$2,268,691,009	(\$20,222,867)
AM-SURG CASELOAD	2,014,799	2,014,799	0
AM-SURG UTILIZATION RATE	0.11%	0.11%	0.00%
AM-SURG SERVICES/MONTH	2,241	2,241	0
AM-SURG UNIT COST	\$464.06	\$464.06	\$0.00
AM-SURG TOTAL COST	\$12,479,628	\$12,479,628	\$0
CHILD CASELOAD	1,153,533	1,153,533	0
CHILD UTILIZATION RATE	0.07%	0.07%	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
SPECIAL PAYMENTS TO HOSPITALS	\$168,300	\$168,300	\$0
DISPROPORTIONATE SHARE	\$6,383,281	\$6,383,281	\$0
TOTAL COST	\$2,369,327,976	\$2,349,105,109	(\$20,222,867)
TOTAL GENERAL REVENUE	\$204,880,664	\$196,185,094	(\$8,695,570)
TOTAL MEDICAL CARE TRUST FUND	\$1,326,373,212	\$1,314,882,176	(\$11,491,036)
TOTAL REFUGEE ASSISTANCE TF	\$3,866,438	\$3,830,177	(\$36,261)
TOTAL PUBLIC MEDICAL ASSIST TF	\$527,970,000	\$527,970,000	\$0
TOTAL GRANTS AND DONATIONS TF	\$279,787,774	\$279,787,774	\$0
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	\$0
TOTAL OTHER STATE FUNDS	\$26,449,888	\$26,449,888	\$0

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## HOSPITAL OUTPATIENT SERVICES

MEDICAID CASELOAD	914,594	914,594	0	
MEDICAID UTILIZATION RATE	18.90%	18.90%	0.00%	
MEDICAID SERVICES PER MONTH	172,880	172,880	0	
MEDICAID UNIT COST	\$276.70	\$272.61	(\$4.09)	
MEDICAID TOTAL COST	\$574,033,646	\$565,543,484	(\$8,490,162)	
CROSSOVER CASELOAD	387,672	387,672	0	
CROSSOVER UTILIZATION RATE	16.61%	16.61%	0.00%	
CROSSOVER SERVICES/MONTH		64,400	64,400	0
CROSSOVER UNIT COST	\$129.19	\$129.19	\$0.00	
CROSSOVER TOTAL COST	\$99,840,175	\$99,840,175	\$0	
SPECIAL PAYMENTS	\$1,286,642	\$1,286,642	\$0	
TOTAL COST	\$675,160,463	\$666,670,301	(\$8,490,162)	
TOTAL GENERAL REVENUE	\$219,480,170	\$215,834,070	(\$3,646,100)	
TOTAL MEDICAL CARE TRUST FUND	\$383,215,288	\$378,398,714	(\$4,816,574)	
TOTAL REFUGEE ASSISTANCE TF	\$1,844,828	\$1,817,340	(\$27,488)	
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	\$0	
TOTAL GRANTS AND DONATIONS TF	\$70,620,177	\$70,620,177	\$0	

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 15

<b>Proposal Name:</b>	<b>Affect on Hospice Rates</b>
<b>Brief Description of Proposal:</b>	<b>Provide the effect on Hospice rates from the nursing home reduction options presented in the Schedule VIII-B.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$ 8,128,722)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	State Plan amendments are required when rule changes are made.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	A rule change is required for this issue. If authority is granted, the policy would be effective January 1, 2008.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		



# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

**Additional Comment(s):**

Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have

**Program Analysis:**

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on the July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 8,128,722)
<b>General Revenue:</b>	(\$ 3,502,162)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 4,625,389)
<b>Refugee Assistance Trust Fund:</b>	(\$ 1,171)
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

Attach Work Papers:

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## HOSPICE

	Budget	4%	Reduction
MEDICAID CASELOAD	6,821	6,821	0
MEDICAID UNIT COST	\$3,523.19	\$3,423.88	(\$99.31)
MEDICAID TOTAL COST	\$288,379,892	\$280,251,170	(\$8,128,722)
TOTAL COST	\$288,379,892	\$280,251,170	(\$8,128,722)
TOTAL GENERAL REVENUE	\$124,244,995	\$120,742,833	(\$3,502,162)
TOTAL MEDICAL CARE TRUST FUND	\$164,093,355	\$159,467,966	(\$4,625,389)
TOTAL REFUGEE ASSISTANCE TF	\$41,542	\$40,371	(\$1,171)
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	\$0
TOTAL GRANTS AND DONATIONS TF	\$0	\$0	\$0

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 16

<b>Proposal Name:</b>	Increase Recipient Co-payments
<b>Brief Description of Proposal:</b>	Provide an estimate if all \$1 co-payments were increased to \$2 and all \$2 co-payments were increased to \$3. List all estimates with the associated service.
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>N/A</b>
<b>Total (Savings) Expected:</b>	<b>(\$0)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	YES	These co-pays are specifically referenced in section 409.9081, Florida Statute.
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Please note that 42CFR447.54 lists the maximum co-pays allowed by the feds. Florida Medicaid already charges the maximum co-pay allowed.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Since these co-pays are referenced in our handbooks, any change in co-pays will have to go through the rulemaking process. The timeframe depends on if the rule is challenged.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	N/A	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<p><b>Additional Comment(s):</b>          Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>Florida Medicaid already charges the maximum co-pay allowed.          42 CFR447.54 lists the maximum allowable co-pays for Medicaid beneficiaries.</p>
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## Program Analysis:

<b>Lead Analyst:</b>	Medicaid Services
<b>Secondary Analyst:</b>	Michele Hudson (MPA)
<b>Comment:</b>	Calculations based on the July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$0)
<b>General Revenue:</b>	(\$0)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$0)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

Attach Work Papers:

Medicaid currently charges the maximum co-pays and co-insurance for services. No savings are anticipated for this policy change. The following is a sample of the services and the current vs. maximum co-pays. Addition information is available in the provider handbook.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Impact Conference Budget Exercise- Increasing Medicaid Recipient Co-payments

### Home Health Services

Currently, all home health services have a current recipient co-payment of \$2.00 per provider, per day.

Procedure Code Table

CODE	MOD1	MOD2	DESCRIPTION OF SERVICE	MAXIMUM FEE	CURRENT CO-PAY	MAXIMUM CO-PAY	FEDERAL REGULATION
T1030			Registered Nurse (RN) Visit	\$31.04/per visit	\$2.00	\$2.00	42 CFR 447.54 & 447.55
T1030	GY		Registered Nurse (RN) Visit to Dually-Eligible Recipient	\$31.04/per visit	\$2.00	\$2.00	42 CFR 447.54 & 447.55
T1031			Licensed Practical Nurse (LPN) Visit	\$26.19/per visit	\$2.00	\$2.00	42 CFR 447.54 & 447.55
T1031	GY		Licensed Practical Nurse (LPN) Visit to Dually-Eligible Recipient	\$26.19/per visit	\$2.00	\$2.00	42 CFR 447.54 & 447.55
T1021	TD		Home Health Aide (HHA) Visit—associated with skilled nursing services	\$17.46/per visit	\$2.00	\$2.00	42 CFR 447.54 & 447.55
T1021	TD	GY	Home Health Aide (HHA) Visit—associated with skilled nursing services to Dually-Eligible Recipient	\$17.46/per visit	\$2.00	\$2.00	42 CFR 447.54 & 447.55
T1021			Home Health Aide (HHA) Visit—unassociated with skilled nursing services	17.46/per visit	\$2.00	\$2.00	42 CFR 447.54 & 447.55
T1021	GY		Home Health Aide (HHA) Visit—unassociated with skilled nursing services to a Dually-Eligible Recipient	\$17.46/per visit	\$2.00	\$2.00	42 CFR 447.54 & 447.55
			<b>PRIVATE DUTY NURSING</b>				
S9123			Private duty nursing rendered by a RN (2 to 24 hours per day)	\$29.10/hr	\$2.00	\$2.00	42 CFR 447.54 & 447.55
S9123	TT		Private duty nursing rendered by a RN (2 to 24 hours per day) provided to more than one recipient in the same setting.	\$29.10/hr	\$2.00	\$2.00	42 CFR 447.54 & 447.55
S9124			Private duty nursing rendered by a LPN (2 to 24 hours per day)	\$23.28/hr	\$2.00	\$2.00	42 CFR 447.54 & 447.55

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

S9124	TT		Private duty nursing rendered by a LPN (2 to 24 hours per day) provided to more than one recipient in the same setting.	\$23.28/hr	\$2.00	\$2.00	42 CFR 447.54 & 447.55
			<b>PERSONAL CARE SERVICES</b>				
S9122			Personal care rendered by a home health aide (2 to 24 hours per day)	\$9.70/hr	\$2.00	\$2.00	42 CFR 447.54 & 447.55
S9122	TT		Personal care rendered by a home health aide (2 to 24 hours per day) provided to more than one recipient in the same setting.	\$9.70/hr	\$2.00	\$2.00	42 CFR 447.54 & 447.55

## Hospital Services

Currently, outpatient hospital services and inpatient hospital admissions have a recipient co-payment of \$3.00, which is the maximum allowable.

Service	Current Co-pay	Maximum Co-pay	Federal Regulation
Outpatient hospital services	\$3.00	\$3.00	42 CFR 447.54
Inpatient hospital admission	\$3.00	\$3.00	42 CFR 447.54

Medicaid recipients using the hospital emergency room for non-emergency services are responsible for a five percent coinsurance fee on the first \$300.00 (up to \$15.00) of the Medicaid payment. Per 42 CFR 447.54, any coinsurance fee imposed can be no more than 5% of the payment the Agency makes for the services, so depending upon what our daily rate is for hospital inpatient services, we could impose a higher coinsurance payment.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 16.1

<b>Proposal Name:</b>	<b>IMPLEMENTATION OF PHARMACY CO-PAY</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE OF SAVINGS DUE TO THE IMPLEMENTATION OF MAXIMUM LEVEL CO-PAYS FOR PRESCRIBED MEDICINE.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>N/A</b>
<b>Total (Savings) Expected:</b>	<b>FY 07/08 (\$0) FY 08/09 (\$3,250,000) Maximum</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	YES	Statutory percentage in prescribed drug provider reimbursement calculation must be changed.
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Revisions to the handbook require a state plan amendment.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	Pharmacy reimbursement calculation must be changed.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<p><b>Additional Comment(s):</b>          Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>There are no savings anticipated for this fiscal year due to the level of system changes needed in the Florida System and the FMMIS. Without changes on both the DCF and AHCA the Agency will not be able to implement the pharmacy co-pays due to the federal limitations related to income.</p> <p><b>Flat Co-payment for prescriptions</b></p> <p>After exempting the populations identified in federal rule, and excluding co-payment for more than six prescriptions in a month for a recipient, the potential maximum count of prescriptions for which co-payments could be collected is approximately 6.5 million.</p>
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## Program Analysis:

<b>Lead Analyst:</b>	Marie Donnelly (PS)
<b>Secondary Analyst:</b>	
<b>Comment:</b>	Assumes no waivers of co-pays at the pharmacy level
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	FY 07/08 (\$0)    FY 08/09 (\$3,250,000)
<b>General Revenue:</b>	FY 07/08 (\$0)    FY 08/09 (\$1,400,425)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	FY 07/08 (\$0)    FY 08/09 (\$1,849,575)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	



# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Attach Work Papers:

## Florida Medicaid Prescribed Drugs Co-payment Analysis

The Deficit Reduction Act of 2005 allows states more flexibility in charging nominal cost sharing (co-payments and coinsurance) for prescribed drugs and other Medicaid services. States may determine what drugs are “preferred”. SSA Sec. 1916 (2) (C) [42 U.S.C. 1396 o] specific to prescribed drugs exempts the following populations from co-payments for preferred drugs:

- Children
- Pregnant women
- Inpatient hospital
- Hospice patients
- Institutional patients who must spend down to a personal needs allowance (nursing home, ICF, etc.)
- Family planning

No populations are exempt from cost sharing for non-preferred prescription drugs.

Nominal cost sharing is currently defined as up to \$3 for co-payments (which can be increased by the medical component of the consumer price index), and 20 percent of the cost of non-preferred drugs.

Total cost sharing (and any premium amounts) for all services cannot exceed 5 percent of a family’s income over a month or quarter.

Pharmacies could deny services or access to drugs if a beneficiary cannot pay the cost sharing amount at the point of sale.

### Flat Co-payment for prescriptions

After exempting the populations noted above, and excluding co-payment for more than six prescriptions in a month for a recipient, the potential maximum count of prescriptions for which co-payments could be collected is approximately 6.5 million.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

7500 Security Boulevard, Mail Stop S2-26-12

Baltimore, Maryland 21244-1850

## Center for Medicaid and State Operations

June 16, 2006 SMDL #06-015

Dear State Medicaid Director:

This letter is one of a series that provides guidance on the implementation of the Deficit Reduction Act of 2005 (DRA). The DRA (Public Law 109-171) through sections 6041, 6042, and 6043, provides State Medicaid agencies with a new option to impose premiums and cost sharing upon certain Medicaid recipients. These sections of the DRA inserted a new section 1916A in the Social Security Act (the Act) which sets forth options for alternative premiums and cost sharing that are not subject to the limitations under section 1916 of the Act, including cost sharing for non-preferred prescription drugs, and cost sharing for non-emergency use of a hospital emergency room. (Alternative cost sharing for non-emergency use of a hospital emergency room under section 6043 will be addressed in a subsequent State Medicaid Director's letter). We plan to apply the limitation of section 1916 to beneficiaries at or below 100 percent of the Federal Poverty Level (FPL). Further guidance will be provided through the rulemaking process.

**Rules for Premiums and Cost-Sharing under Section 1916A(a), (b) and (d) (Effective Date: March 31, 2006)--(For Rules Governing Cost-Sharing for Prescription Drugs under Section 1916A(c) – see information included on page 4)**

Under the new section 1916A, States have a new option to impose premiums upon any group of non-exempt individuals (with family incomes over 150 percent of the FPL) as specified by the State in their State plans, and cost sharing upon any group of non-exempt individuals (with family income over 100 percent of the FPL) and for any non-exempt services as specified by the State in its State plan. A listing of exempt groups of individuals and exempt services for which no cost sharing is permitted is specified below. For example, States may impose premiums upon all non-exempt childless adults (with family incomes over 150 percent of the FPL) or States may impose cost sharing for non-exempt items and services to individuals in the section 1931 eligibility group with family incomes between 100 and 200 percent of the FPL. States may vary the premiums and cost sharing among the groups of individuals or types of items and services they select in their State plan, subject to the limitations described below.

# Medicaid Impact Conference Issues

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## Limitations on Premiums and Cost Sharing under Section 1916A

### *1. Non-Exempt Individuals with Family Income Above 100 Percent but At or Below 150 Percent of the FPL*

#### **A. Premium Rules**

States may not impose premiums under the State plan.

#### **B. Cost Sharing Rules**

Cost sharing may not exceed 10 percent of the cost of the item or service.

#### **C. Aggregate Cap**

Total cost sharing, including cost sharing for prescription drugs and non-emergency use of emergency rooms, may not exceed 5 percent of the family income, as applied on a monthly or quarterly basis, as specified by the State.

### *2. Non-Exempt Individuals with Family Income Above 150 Percent of the FPL*

#### **A. Premium Rules**

States may impose premiums.

#### **B. Cost Sharing Rules**

Cost sharing may not exceed 20 percent of the cost of the item or service.

#### **C. Aggregate Cap**

Total premiums and cost sharing, including cost sharing for prescription drugs and non-emergency use of emergency rooms, may not exceed 5 percent of the family income, as applied on a monthly or quarterly basis, as specified by the State.

### *3. Exempt Populations - Premiums*

No premiums shall be imposed for the following individuals:

- Individuals under 18 years of age that are required to be provided medical assistance under section 1902(a)(10)(A)(i), and including individuals with respect to whom aid or assistance is made available under Part B of title IV to children in foster care and individuals with respect to whom adoption or foster care assistance is made available under Part E of such title, without regard to age;
- Pregnant women;
- Any terminally ill individual receiving hospice care, as defined in section 1905(o);
- Any individual who is an inpatient in a hospital, nursing facility, intermediate care facility, or other medical institution, if such individual is required, as a condition of receiving services in such institution under the State plan, to spend for costs of medical care all but a minimal amount of the individual's income required for personal needs; and
- Women who are receiving Medicaid on the basis of the breast or cervical cancer eligibility group under sections 1902(a)(10)(A)(ii)(XVIII) and 1902(aa) of the Act.

### *4. Exempt Services – Cost Sharing*

No cost sharing shall be imposed for the following services:

- Services furnished to individuals under 18 years of age that are required to be provided Medicaid under section 1902(a)(10)(A)(i), and including services furnished to individuals with respect to whom aid and assistance is made available under Part B of title IV to children in foster care and individuals with respect to whom adoption or foster care assistance is made available under Part E of such title, without regard to age;

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- Preventive services (such as well baby and well child care and immunizations) provided to children under 18 years of age regardless of family income;
- Services furnished to pregnant women, if such services relate to the pregnancy or to any other medical condition which may complicate the pregnancy;
- Services furnished to a terminally ill individual who is receiving hospice care, (as defined in section 1905(o) of the Act);
- Services furnished to any individual who is an inpatient in a hospital, nursing facility, intermediate care facility for the mentally retarded, or other medical institution, if such individual is required, as a condition of receiving services in such institution under the State plan, to spend for costs of medical care all but a minimal amount of the individual's income required for personal needs;
- Emergency services as defined by the Secretary for the purposes of section 1916(a)(2)(D) of the Act;
- Family planning services and supplies described in section 1905(a)(4)(C) of the Act; and
- Services furnished to women who are receiving medical assistance by virtue of the application of sections 1902(a)(10)(A)(ii)(XVIII) and 1902(aa) of the Act (breast or cervical cancer provisions).

## 5. *Additional Exemptions*

States may exempt additional groups of individuals from premiums or additional items or services from cost sharing. States also may further reduce the premiums and cost sharing below the limitations specified by the law.

### Determination of Family Income

Family income shall be determined in a manner, and for such period, and at such periodicity as specified by the State. For purposes of cost sharing determinations, States may use gross income. States do not need to use the same income methodology for the purposes of determining eligibility as they do for determining premiums and cost sharing.

### Ensuring that Premiums and Cost Sharing Do Not Exceed Aggregate Cap

The State plan must describe how the State will ensure that the aggregate premium and/or cost sharing amounts do not exceed 5 percent of such family's income for the monthly or quarterly period.

### Enforceability of Premiums and Cost Sharing

Section 1916A(d) allows States to enforce the payment of premiums (if applicable) and cost sharing for certain Medicaid beneficiaries.

#### 1. *Enforceability of Premiums*

For non-exempt individuals with family income above 150 percent of the FPL, States may condition Medicaid eligibility upon prepayment of the premium under section 1916A or States may terminate eligibility for Medicaid because of failure to pay such a premium; however, such termination cannot occur until the failure to pay such premium has continued for a period of 60 days or more. A State plan must specify the group or groups of individuals to which the prepayment or termination options apply. A State may also waive payment of a premium in any case where it determines that requiring the payment would create an undue hardship.

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## *2. Enforceability of Cost Sharing*

Under section 1916A, States may permit a provider participating under the State plan to require, as a condition for the provision of covered care, items, or services to a Medicaid-eligible individual, the individual to pay the cost sharing amount authorized under section 1916A. A State electing this option must indicate so in its State plan. The provider is not prohibited by this authority from choosing to reduce or waive cost sharing on a case-by-case basis.

### Waivers

Sections 1916A(b)(6)(B) and 1916A(b)(6)(C) clarify that section 1916A does not affect any waiver granted before the enactment of the DRA, with regard to the implementation of premiums and cost sharing, and that nothing in the section affects the Secretary's waiver authority.

### Effective Date

This provision became effective March 31, 2006. States must submit a State plan amendment (SPA) to implement cost sharing. We have attached a SPA template for your convenience. SPA submissions should be submitted electronically in a "pdf" file format.

### **Special Rules for Cost Sharing for Prescription Drugs under Section 1916A(c) (Effective March 31, 2006)**

Section 6042 of the DRA adds a new section 1916A(c), Special Rules for Cost Sharing for Prescription Drugs, which provides States with additional options for establishing cost sharing requirements for drugs to encourage the use of preferred drugs. Preferred drugs are those identified by the State as the least (or less) costly effective prescription drugs within a class of drugs (as defined by the State), with respect to one or more groups of beneficiaries specified by the State.

Under this provision, States may require increased cost sharing for drugs that are not preferred drugs within a class and waive or reduce the cost sharing otherwise applicable for preferred drugs within such class. States shall not apply any cost sharing for preferred drugs for individuals for whom cost sharing may not otherwise be imposed under the rules of section 1916A(b)(3)(B). (See page 2 – "Exempt Populations – Premiums" for the list of affected groups.) States have the flexibility to include or exclude specified drugs or classes of drugs from this provision.

### Cost Sharing Limits

- In the case of individuals whose family income does not exceed 150 percent of the FPL, the amount of cost sharing for non-preferred drugs may not exceed the amount of nominal cost sharing as defined in section 1916.
- In the case of individuals whose family income exceeds 150 percent of the FPL, the amount of cost sharing for non-preferred drugs may not exceed 20 percent of the cost (Medicaid payment amount) of the drug.
- In the case of an individual who is otherwise not subject to cost sharing as a result of section 1916A(b)(3)(B), any cost sharing for non-preferred drugs may not exceed a nominal amount as defined in section 1916.

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- Any cost sharing applied to an individual for prescription drugs would be subject to the 5 percent aggregate cap (described on page 2) as applied on a monthly or quarterly basis.

### Physician Overrides

Cost sharing must be limited to the levels applicable to a preferred drug when the prescribing physician determines that the preferred drug for treatment of the same condition either would not be as effective for the individual as a non-preferred drug, would have adverse effects for the individual, or both. The State is responsible for developing and establishing the necessary process to implement this provision. These overrides must meet the State criteria for prior authorization and be approved through that process before preferred drug cost sharing can be applied to the non-preferred drug.

### Enforcement

In accordance with section 1916A(d), States may permit pharmacy providers to require the receipt of the cost sharing payment from the beneficiary before filling a prescription.

### Effect on Providers

State payments to providers must be reduced by the amount of the beneficiary cost-sharing obligations, regardless of whether the provider successfully collects the cost-sharing. States have the ability to increase total State plan rates to providers to maintain the same level of State payments when cost sharing is introduced.

### Availability of Information

States should make available to the public and to beneficiaries the schedule of the cost-sharing/premium amounts for specific items and the various eligibility groups, (including pharmacy, if the State elects to impose differential cost sharing for preferred and non-preferred drugs).

### Effective Date

This provision became effective March 31, 2006. States must submit a SPA to implement cost sharing. We have attached a SPA template for your convenience. SPA submissions should be submitted electronically in a “pdf” file format.

### State Plan Preprints

States may use the attached State plan preprint pages to adopt any of these provisions. Please submit your SPA electronically in a “pdf” file format to your regional office to implement these provisions. It should be noted that States using a prior authorization program for preferred drug lists without tiered cost sharing are not required to change their programs to comply with this provision.

The Centers for Medicare & Medicaid Services contact for this new legislation is Jean Sheil, Director, Family and Children’s Health Program Group, who may be reached at 410-786-5647.

Sincerely,

/s/

Dennis G. Smith  
Director

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 17

<b>Proposal Name:</b>	<b>REDUCE REIMBURSEMENT FOR CHAIN PHARMACIES</b>
<b>Brief Description of Proposal:</b>	<b>REIMBURSE CHAIN PHARMACIES AT A LOWER RATE (AWP – 17% OR THE WAC EQUIVALENT). FOR THIS EXERCISE CHAINS ARE CONSIDERED CORPORATIONS WITH 5 OR MORE STORES IN FLORIDA. IMPACT CONFERENCE ITEM.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$3,875,000)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If “Yes” please comment.	YES	Statutory percentage in prescribed drug provider reimbursement calculation must be changed.
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If “Yes” please provide a brief description and timeframe.	NO	
<b>Will this proposal require an administrative rule?</b> (Yes or No) If “Yes” please provide a brief description and timeframe.	YES	Pharmacy reimbursement calculation must be changed.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If “Yes”, for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If “Yes” for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If “Yes” provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	

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<b>Language Provided In the Governors Recommendations</b>	
<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have	This action will lower reimbursement to retail pharmacy providers of Medicaid prescribed drug services and could reduce access to services, particularly in rural areas served by small or independent pharmacies.

## Program Analysis:

<b>Lead Analyst:</b>	Marie Donnelly (PS)
<b>Secondary Analyst:</b>	
<b>Comment:</b>	Calculations based on pharmacy work papers specific to this request using current pharmacy data.
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$3,875,000)
<b>General Revenue:</b>	(\$1,669,738)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$2,205,263)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

Attach Work Papers:



# Medicaid Impact Conference Issues

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Issue			Total Annual	GR Total	Jan 2008 total	GR Jan '08
17	Ingredient cost reimbursement only for chain pharmacies at WAC + 5.75% and AWP – 17%	Half of prescription dollars are currently paid to non-chain providers	\$7.75 million annually	\$3.34 million	\$3.88 million	\$1.67 million

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 18

<b>Proposal Name:</b>	<b>NURSING HOME PROVIDER SPECIFIC TARGET</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE IF THE PROVIDER SPECIFIC TARGET WERE DECREASED FROM 2.0 TO 1.4 BEGINNIG JANUARY 2008.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>7/1/08</b>
<b>Total (Savings) Expected:</b>	<b>1/08 -6/08 (\$1,947,764) Fiscal 2008/09 (\$13,900,000)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	State Plan amendments are required when rule changes are made.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	A rule change is required for this issue. If authority is granted, the policy would be effective January 1, 2008.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

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<p><b>Additional Comment(s):</b>          Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>The annualized estimate for the increased costs of the indirect component using the new inflation multiplier of 2.0 was \$3,252,684 when calculated in April 2007.</p> <p>The annualized estimate for the increased costs of the operating component using the new inflation multiplier of 2.0 was \$3,232,556 when calculated in April 2007.</p> <p>The total increased annualized costs of using the new inflation multiplier of 2.0 was \$6,485,240 when calculated in April 2007.</p> <p>Inflation Multiplier to Equal 2.0 Times Inflation for the Individual Provider-Specific Targets. Estimated Impact: FY 2007 - 2008: \$1,947,764 FY 2008 - 2009: \$13,900,000</p>
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## Program Analysis:

<b>Lead Analyst:</b>	Wes Hagler (MPA)
<b>Secondary Analyst:</b>	
<b>Comment:</b>	Calculations based on work done in April 2007 to estimate out year impacts of proposed policy changes.
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$1,947,764)
<b>General Revenue:</b>	(\$839,292)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$1,108,472)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

Attach Work Papers: No savings are anticipated related to this policy change in fiscal year 2007/08.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 19

<b>Proposal Name:</b>	<b>NURSING HOME REIMBURSEMENT</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE OF REVERSING THE NURSING HOME REBASING INITIATIVE THAT BEGAN JULY 2007, HOWEVER, ALLOW THE PROVIDER SPECIFIC TARGET INFLATION RATE TO REMAIN AT 2.0.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$58,124,939 )</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	State Plan amendments are required when rule changes are made.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	A rule change is required for this issue. If authority is granted, the policy would be effective January 1, 2008.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

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<p><b>Additional Comment(s):</b>          Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>Using the amount to rebase estimated in April 2007 but, as a savings. Then adding back the cost of changing the target inflation multiplier to reduce the savings. Then adjust to 1/08 -6/08.</p>
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## Program Analysis:

<b>Lead Analyst:</b>	Wes Hagler (MPA)
<b>Secondary Analyst:</b>	
<b>Comment:</b>	Calculations based on work completed in April 2007 for the 2007 impact conference.
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$58,124,939)
<b>General Revenue:</b>	(\$25,046,036)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$33,078,903)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

Attach Work Papers:

## Medicaid Impact Conference Issues

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Indirect rebasing annualized	\$41,556,631
Operating rebasing annualized	\$81,178,487
Savings from 1/08 - 6/08	(\$61,367,559)
Annualized Costs of using New Target Inflation Multiplier of 2.0	\$6,485,239
	\$3,242,620
Savings from 1/08 - 6/08	(\$58,124,939)

# Medicaid Impact Conference Issues

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Proposal: Issue # 20A Revised 9-20-07

<b>Proposal Name:</b>	<b>EXPAND MANAGED CARE ENROLLMENT VIA CHANGE IN POLICY FOR AREAS 1 AND 6.</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE OF SAVINGS BY INCREASING MANAGED CARE PENETRATION BY AUTO ASSIGNING NON-CHOOSERS TO A MANAGED CARE PLAN IN COUNTIES WITH 1 OR MORE PLANS. PROVIDE POLICY/METHODOLOGY TO IMPLEMENT.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>3/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$ 469,323)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	YES	This proposal would require an amendment to s. 409.9122, F.S., to revise the description of the mandatory assignment process.
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	This proposal would require an amendment to the current State Plan to revise the description of the mandatory assignment process.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	NO	
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	YES	This proposal will require an amendment to the approved 1915(b) Managed Care Waiver to revise the description of the mandatory assignment process.
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

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<p><b>Additional Comment(s):</b>          Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>The following option describes the methodology that could be used to implement this proposal.</p> <p><u>Option to increase Managed Care:</u>          In areas 1 and 6 where there is one or more managed care plan, assign new eligibles who are required to enroll in managed care and who fail to make a choice in the initial 30 day choice period, to managed care plans only. MediPass would not be included in the mandatory assignment process (algorithm).</p> <p>Managed care plans are defined in 409.9122(2)(f) and (k), F.S., to include health maintenance organizations, provider service networks, minority physician networks, pediatric emergency department diversion programs, Children's Medical Services Network and exclusive provider organizations.</p> <p>Note: * If MediPass would no longer operate in all areas of the state, we would need to amend Rule 59G-8.400, Medicaid Physician Access System.</p>
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## Program Analysis:

<b>Lead Analyst:</b>	Brady Augustine (HSD)
<b>Secondary Analyst:</b>	Melanie Brown-Woofter (HSD) Fred Roberson (MPA)
<b>Comment:</b>	Calculations based on the July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	9/20/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 469,323)
<b>General Revenue:</b>	(\$ 201,062)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 265,547)
<b>Refugee Assistance Trust Fund:</b>	(\$ 2,714)
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	



# Medicaid Impact Conference Issues

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Attach Work Papers:

## Impact due to increasing managed care enrollment

No MediPass mandatory assignment in counties of areas  
1 and 6 with any managed care

TOTAL	(\$469,323)
GENERAL REVENUE	(\$201,062)
MEDICAL CARE TRUST FUND	(\$265,547)
REFUGEE ASSISTANCE TRUST FUND	(\$2,714)

# Medicaid Impact Conference Issues

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	FY0708			FY0809		
	Increase Managed care by			Increase Managed care by		
<b><u>PREPAID HEALTH PLAN</u></b>	Case months	2,180		Case months	25,288	
	Current			Projected		
CASELOAD	712,632	714,812		724,861	750,149	
UNIT COST	\$224.26	\$224.26		\$245.88	\$245.88	
TOTAL COST	\$1,917,744,499	\$1,923,611,037		\$2,138,765,958	\$2,213,380,420	
CASELOAD-MENTAL HEALTH	555,629	555,629		555,629	555,629	
UNIT COST	\$41.45	\$41.45		\$41.45	\$41.45	
TOTAL COST	\$276,370,279	\$276,370,279		\$276,370,279	\$276,370,279	
TOTAL COST	\$2,194,114,778	\$2,199,981,316	\$5,866,538	\$2,415,136,237	\$2,489,750,699	\$74,614,462
TOTAL GENERAL REVENUE	\$939,778,331	\$942,489,187		\$1,036,098,418	\$1,068,333,483	
TOTAL OTHER STATE FUNDS	\$0			\$0		
TOTAL MEDICAL CARE TRUST FUND	\$1,241,646,399	\$1,244,768,151		\$1,364,450,513	\$1,406,379,242	
TOTAL REFUGEE ASSISTANCE TF	\$12,690,048	\$12,723,978		\$14,587,306	\$15,037,974	
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0		\$0	\$0	
TOTAL GRANTS AND DONATIONS TF	\$0	\$0		\$0	\$0	

# Medicaid Impact Conference Issues

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Offset to other Services

FY07/08

FY08/09

SERVICE	TOTAL	TOTAL
PHYSICIAN SERVICES	(\$915,087)	(\$11,651,516)
HOSPITAL INPATIENT SERVICES	(\$2,837,321)	(\$36,126,701)
PRESCRIBED MEDICINE	(\$1,803,120)	(\$22,958,560)
HOSPITAL OUTPATIENT SERVICES	(\$638,708)	(\$8,132,467)
OTHER LAB AND X-RAY	(\$63,145)	(\$804,007)
MEDIPASS	(\$78,480)	(\$910,368)
<b>SUBTOTAL</b>	<b>(\$6,335,861)</b>	<b>(\$80,583,619)</b>
PREPAID PLANS	\$5,866,538	\$74,614,462
REDUCTION	(\$469,323)	(\$5,969,157)
GR	(\$201,062)	(\$2,557,233)
MCTF	(\$265,547)	(\$3,377,400)
RATF	(\$2,714)	(\$34,524)

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Estimated Impact of Increasing Managed Care

Statewide MediPass enrollment is 551,817 as of August 2007

Mandatory assignment to MediPass will no longer occur Counties within Areas 1 and 6 with 1 or more managed care plans.

Counties with 1 or more managed care plans for areas 1&6	Mandatory assignments to MediPass	New MP Mand Assign. Enrollment for Areas 1 & 6			
ESCAMBIA	391	3/1/2008	2,616	2,616	
SANTA ROSA	127	4/1/2008	2,616	5,232	
HIGHLANDS	120	5/1/2008	2,616	7,848	
MANATEE	168	6/1/2008	2,616	10,464	2,180 Average monthly increase in SFY 07-08
HILLSBOROUGH	1,170	7/1/2008	2,616	13,080	
POLK	640	8/1/2008	2,616	15,696	
Total	2,616	9/1/2008	2,616	18,312	
		10/1/2008	2,616	20,928	
		11/1/2008	2,616	23,544	
		12/1/2008	2,616	26,160	
		1/1/2009	2,616	28,776	
		2/1/2009	2,616	31,392	
		3/1/2009		31,392	
		4/1/2009		31,392	
		5/1/2009		31,392	
		6/1/2009		31,392	25,288 Average monthly increase in SFY 08-09
			31,392		31,392 Annualized average monthly increase

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Estimated Fiscal Impact - Savings					
	Average Monthly Caseload Increase	Total	Trust	State	
% HMO increase					
0.3%	SFY 07-08	2,180	\$ (469,323)	\$ (268,261)	\$ (201,062)
3.5%	SFY 08-09	25,288	\$ (5,969,157)	\$ (3,411,924)	\$ (2,557,233)
4.4%	Annualized	31,392	\$ (7,409,988)	\$ (4,235,491)	\$ (3,174,497)

**Assumptions:**

- 1) In the areas 1 and 6 counties with 1 or more health plans there were 3,658 recipients enrolled in MediPass for August 2007 (Choice and Assigned).
- 2) 2,616 were mandatoryily assigned to MediPass.
- 3) There is no transition period since these are all new eligibles.
- 4) Beginning with 2,616 for March 2008 and adding 2,616 each month, the average increase for the 07/08 is 2,180.
- 5) Using the totals created in 4, a monthly average of 2,180 is used in the analysis for SFY 07/08 and 25,288 for SFY 08-09.
- 6) It was assumed that MediPass would remain as an option during the 30 day choice window and be availble during open enrollement.
- 7) To calculate savings to other services, an 8 percent reduction was applied to all the appropriate services.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 20B

<b>Proposal Name:</b>	<b>EXPAND MANAGED CARE ENROLLMENT FOR NEW ENROLLEES</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE OF SAVINGS BY INCREASING MANAGED CARE PENETRATION FOR NEW ENROLLEES IN COUNTIES WITH TWO OR MORE PLANS. PROVIDE POLICY/METHODOLOGY TO IMPLEMENT.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>3/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$ 1,345,536)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>HEALTH SYSTEMS DEVELOPMENT</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	YES	This proposal would require an amendment to s. 409.9122, F.S., to revise the description of the mandatory assignment process.
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	This proposal would require an amendment to the current State Plan to revise the description of the mandatory assignment process.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	NO	
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	YES	This proposal will require an amendment to the approved 1915(b) Managed Care Waiver to revise the description of the mandatory assignment process.
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<p><b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>The following option describes the methodology that could be used to implement this proposal.</p> <p><u>Option to increase managed care:</u> In areas where there are 2 or more managed care plans (23 counties), limit the choice of new eligibles who are required to enroll in managed care to managed care plans only, and eliminate MediPass as a choice. Additionally, assign all these recipients who fail to make a choice in the initial 30 day choice period to managed care plans. This would eliminate MediPass as a choice for this population.</p> <p>Note: * If MediPass would no longer operate in all areas of the state, we would need to amend Rule 59G-8.400, Medicaid Physician Access System.</p>
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# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Program Analysis:

<b>Lead Analyst:</b>	Brady Augustine (HSD)
<b>Secondary Analyst:</b>	Melanie Brown-Woofter (HSD) Fred Roberson (MPA)
<b>Comment:</b>	Calculations based on the July 30, 2007 FY 2007/08 SSEC
<b>Date Completed:</b>	9/20/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 1,345,536)
<b>General Revenue:</b>	(\$ 576,438)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 761,316)
<b>Refugee Assistance Trust Fund:</b>	(\$ 7,782)
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

Attach Work Papers:

**Impact due to increasing managed care enrollment.**

**No choice of MediPass for new enrollees; mandatory for managed care in counties with 2 or more managed care plans**

TOTAL	(\$1,345,536)
GENERAL REVENUE	(\$ 576,438)
MEDICAL CARE TRUST FUND	(\$ 761,782)
REFUGEE ASSISTANCE TRUST FUND	(\$7,782)



# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<u>PREPAID HEALTH PLAN</u>	Current	Increase Managed care by 6250 Avg. per month	
CASELOAD	712,632	718,882	
UNIT COST	\$224.26	\$224.26	
TOTAL COST	\$1,917,744,499	\$1,934,563,703	
CASELOAD-MENTAL HEALTH	555,629	555,629	
UNIT COST	\$41.45	\$41.45	
TOTAL COST	\$276,370,279	\$276,370,279	
TOTAL COST	\$2,194,114,778	\$2,210,933,982	\$16,819,204
TOTAL GENERAL REVENUE	\$939,778,331	\$947,181,395	
TOTAL OTHER STATE FUNDS	\$0		
TOTAL MEDICAL CARE TRUST FUND	\$1,241,646,399	\$1,250,965,262	
TOTAL REFUGEE ASSISTANCE TF	\$12,690,048	\$12,787,325	
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	
TOTAL GRANTS AND DONATIONS TF	\$0	\$0	

Offset to other Services

SERVICE	TOTAL
PHYSICIAN SERVICES	(\$2,656,434)
HOSPITAL INPATIENT SERVICES	(\$8,236,543)
PRESCRIBED MEDICINE	(\$5,234,332)
HOSPITAL OUTPATIENT SERVICES	(\$1,854,125)
OTHER LAB AND X-RAY	(\$183,306)
<b>SUBTOTAL</b>	<b>(\$18,164,740)</b>
PREPAID PLANS	\$16,819,204
REDUCTION	(\$1,345,536)
GR	(\$576,438)
MCTF	(\$761,316)
RATF	(\$7,782)

# Medicaid Impact Conference Issues

## Special Session 2007 September 21, 2007 Revised Version

Estimated Impact of Increasing Managed Care

Statewide MediPass enrollment is 551,817 as of August 2007

All new eligibles of the mandatory population in counties with 2 or more managed health care plans will have to choose one of the plans

	Counties with two or more managed care plans	New MediPass Assigned	New MediPass Choice	Total New MediPass	Phase in over 12 months	Phase in the caseload in 12 equal increments			
						Phase	Count	Count	Count
1	BREVARD		120	100	220	3/1/2008	7,500	7,500	
2	DADE		7	273	280	4/1/2008	7,500	15,000	
3	GADSDEN		0	8	8	5/1/2008	7,500	22,500	
4	HERNANDO		2	18	20	6/1/2008	7,500	30,000	6,250 Average monthly increase in SFY 07-08
5	HIGHLANDS		2	290	292	7/1/2008	7,500	37,500	
6	HILLSBOROUGH		2	44	46	8/1/2008	7,500	45,000	
7	JEFFERSON		1	6	7	9/1/2008	7,500	52,500	
8	LAKE		5	174	179	10/1/2008	7,500	60,000	
9	LEE		0	19	19	11/1/2008	7,500	67,500	
10	LEON		2	185	187	12/1/2008	7,500	75,000	
11	LIBERTY		2	94	96	1/1/2009	7,500	82,500	
12	MADISON		8	125	133	2/1/2009	7,500	90,000	
13	MANATEE		168	32	200	3/1/2009		90,000	
14	ORANGE		4	131	135	4/1/2009		90,000	
15	OSCEOLA		7	328	335	5/1/2009		90,000	
16	PALM BEACH		7	71	78	6/1/2009		90,000	72,500 Average monthly increase in SFY 08-09
17	PASCO		5	91	96				
18	PINELLAS		1,170	401	1,571		90,000	90,000	Annualized average monthly increase
19	POLK		11	235	246				
20	SARASOTA		7	385	392				
21	SEMINOLE		640	163	803				
22	VOLUSIA		9	374	383				
23	WAKULLA		21	1,761	1,782				
<b>new monthly eligibles</b>			2,200	5,308	7,508				

  

Estimated Fiscal Impact - Savings				
	Average Monthly Caseload Increase	Total	Trust	State
% HMO increase				
0.9%	SFY 07-08	6,250	\$ (1,345,536)	\$ (769,098)
10.2%	SFY 08-09	72,500	\$(18,588,703)	\$ (10,625,157)
12.6%	Annualized	90,000	\$(21,244,232)	\$ (12,143,037)

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Assumptions:

- 1) In the counties with 2 or more health plans there were 7,508 new eligibles enrolled in MediPass.
- 2) There is no transition period since these are new eligibles.
- 3) Beginning with 7,500 for March 2008 and adding 7,500 each month for 12 months.
- 4) Using the totals created in 3, a monthly average of 6,250 is used in the analysis for SFY 07/08 and 72,500 for SFY 08-09.
- 5) It was assumed that MediPass would continue for those voluntary populations currently in the program.
- 6) To calculate savings to other services, an 8 percent reduction was applied to all the appropriate services.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

**Proposal: Issue # 21**  
**Revised 9-14-07 Conference**

<b>Proposal Name:</b>	<b>NURSING HOME EXPENDITURES</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE OF NURSING HOME EXPENDITURES FOR FY 07-08 USING THE MOST RECENT INFORMATION FROM THE JULY 1, 2007 RATE SEMESTER</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>REVISED ESTIMATE OF NH LINE</b>
<b>Total (Savings) Expected:</b>	<b>(\$ 110,543,349)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	N/A	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	N/A	
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	N/A	
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	N/A	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	N/A	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Additional Comment(s):

Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have

## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	
<b>Comment:</b>	Calculations based on the FY0708 GAA
<b>Date Completed:</b>	9/13/07
<b>Total (Savings) Cost of Proposal:</b>	(\$ 110,543,349)
<b>General Revenue:</b>	(\$ 47,658,696)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$ 62,910,220)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	\$ 25,567
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

Attach Work Papers:

## Assumptions:

1. Caseload was realigned using more current actual data.
2. From the realigned caseload, an addition of 50 FTEs per month was applied.
3. The average actual rates paid for the January 2007 rate semester was calculated.
4. Using the rate calculated in #3, an increase of 1.055 was applied for both the July 2007 and January 2008 rate semesters.
5. No change to patient responsibility was assumed

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## NURSING HOMES

	Budget	New Projection	Difference
	46,859	46,286	(573)
SKILLED CARE CASELOAD	12,303	11,532	(771)
SKILLED CARE UNIT COST	\$5,279.70	\$5,186.41	(\$93.28)
SKILLED CARE TOTAL COST	\$779,473,579	\$717,716,681	(\$61,756,898)
CROSSOVER CASELOAD	3,171	3,171	0
CROSSOVER UNIT COST	\$184.82	\$184.82	\$0.00
CROSSOVER TOTAL COST	\$7,032,941	\$7,032,941	\$0
INTERMEDIATE CARE CASELOAD	29,917	30,217	300
INTERMEDIATE CARE UNIT COST	\$4,876.76	\$4,717.72	(\$159.04)
INTERMEDIATE CARE TOTAL COST	\$1,750,777,429	\$1,710,663,440	(\$40,113,989)
GENERAL CARE CASELOAD	1,468	1,366	(102)
GENERAL CARE UNIT COST	\$4,905.11	\$4,742.31	(\$162.80)
GENERAL CARE TOTAL COST	\$86,408,481	\$77,736,019	(\$8,672,462)
SPECIAL PAYMENTS TO NURSING HOMES	\$12,581,567	\$12,581,567	\$0
TOTAL COST	\$2,636,273,997	\$2,525,730,648	(\$110,543,349)
TOTAL GENERAL REVENUE	\$1,127,064,570	\$1,079,405,873	(\$47,658,696)
TOTAL MEDICAL CARE TRUST FUND	\$1,503,803,532	\$1,440,893,312	(\$62,910,220)
TOTAL REFUGEE ASSISTANCE TF	\$0	\$0	\$0
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0	\$0
TOTAL GRANTS AND DONATIONS TF	\$5,405,895	\$5,431,462	\$25,567
Combined Caseload	43,688	43,115	43,115
Combined Average Cost	\$4,991.19	\$4,991.19	\$4,843.86
Combined Cost	\$2,616,659,489	2582340090	\$2,506,116,140
		(\$34,319,399)	(\$76,223,950)
Caseload Decrease		(\$34,319,399)	
Rate Decrease		(\$76,223,950)	
Total Decrease		(\$110,543,349)	

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 22

<b>Proposal Name:</b>	<b>NURSING HOME PROVIDER ASSESSMENT</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE OF REVENUE GENERATED BY REESTABLISHING THE NURSING HOME ASSESSMENT FROM CHAPTER 92-319 LAWS OF FLORIDA</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>1/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>\$ 19,565,637</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	State Plan amendments are required when rule changes are made.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	A rule change is required for this issue. If authority is granted, the policy would be effective January 1, 2008.
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<p><b>Additional Comment(s):</b>          Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>42 CFR 433.68 states that taxes must be uniform, broad based and not have any hold harmless provisions.</p>
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## Program Analysis:

<b>Lead Analyst:</b>	Wes Hagler (MPA)
<b>Secondary Analyst:</b>	
<b>Comment:</b>	Calculations based on CON data for 2006
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	\$19,565,637
<b>General Revenue:</b>	(\$0)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$0)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	\$ 19,565,637
<b>Other State Funds:</b>	

Attach Work Papers:

12,845,593 Patient days from July 2006 - December 2006 CON Data.  
 1.0154 Inflation factor  
 13,043,758 Estimated patient days January 2008 - June 2008.  
 \$1.50 Bed Tax Per Occupied Bed Day.  
 \$19,565,637 Estimated Tax Revenue.



# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 23

<b>Proposal Name:</b>	<b>HMO ASSESSMENT</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE OF REVENUE BY REQUIRING AN ASSESSMENT OF 1% OF NET REVENUE ON HMO'S IN THE STATE.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>ANNUALIZED</b>
<b>Total (Savings) Expected:</b>	<b>\$ 83,000,000</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>HQA</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	Yes	Recommend that Chapter 641 be amended to make all HMOs subject to section 624.509, Florida Statutes.
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	No	
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	No	
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	No	
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	No	The premium tax for insurance companies is collected by the Department of Revenue they would have to determine whether or not additional staff is needed.
<b>Language Provided In the Governors Recommendations</b>		
<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Program Analysis:

<b>Lead Analyst:</b>	Tom Warring (HQA)
<b>Secondary Analyst:</b>	
<b>Comment:</b>	Calculations based on CY 2006 Premium Data
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	\$ 83,000,000
<b>General Revenue:</b>	\$ 83,000,000
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$0)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

Attach Work Papers:

See attached spreadsheet for the calculation of the 2006 premiums subject to assessment. Net premiums available for assessment is \$8.3 billion as reported to the Office of Insurance Regulation. Premiums not subject to assessment are any Federal dollars paid for Medicare, Medicaid and Federal employees. Estimated State share of Medicaid Revenues used was 41.04%. A 1% assessment would result in an estimated \$83 million.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 24A

<b>Proposal Name:</b>	<b>HOSPITAL ASSESSMENT FOR INPATIENT SECTION 395.701, F.S. – PROVIDE AN ESTIMATE OF REVENUE GENERATED FROM INCREASING THE INPATIENT HOSPITAL ASSESSMENT TO 1.75% AND 2%.</b>
<b>Brief Description of Proposal:</b>	
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>ANNUALIZED</b>
<b>Total (Savings) Expected:</b>	<b>\$ 48,648,100 @ 1.75% \$ 97,296,199 @ 2.00%</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If “Yes” please comment.	YES	Assessment percentages are established in law.
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If “Yes” please provide a brief description and timeframe.	NO	
<b>Will this proposal require an administrative rule?</b> (Yes or No) If “Yes” please provide a brief description and timeframe.	NO	
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If “Yes”, for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If “Yes” for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If “Yes” provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<b>Additional Comment(s):</b> Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have	
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## Program Analysis:

<b>Lead Analyst:</b>	Chris Augsburger (HQA)
<b>Secondary Analyst:</b>	
<b>Comment:</b>	
<b>Date Completed:</b>	8/22/07
<b>Total (Savings) Cost of Proposal:</b>	\$ 48,648,100 @ 1.75% \$ 97,296,199 @ 2.00%
<b>General Revenue:</b>	\$0
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	\$0
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	\$0
<b>Public Medical Assistance Trust Fund:</b>	\$ 48,648,100 @ 1.75% \$ 97,296,199 @ 2.00%
<b>Other State Funds:</b>	

Attach Work Papers:

### PUBLIC MEDICAL ASSISTANCE TRUST FUND ASSESSMENT CH. 395.701 F.S.

2006 Hospital Data	Current Net Inpatient Assessment at 1.5 percent	Proposed Net Inpatient Assessment at 1.75 percent	Proposed Net Inpatient Assessment at 2.0 percent
Assessment Amount	\$291,888,597	\$340,536,697	\$389,184,797
Increase over current assessment		\$48,648,100	\$97,296,199

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 24B

<b>Proposal Name:</b>	<b>HOSPITAL ASSESSMENT FOR OUTPATIENT SECTION 395.701 F.S. – PROVIDE AN ESTIMATE OF REVENUE GENERATED FROM INCREASING THE OUTPATIENT HOSPITAL ASSESSMENT TO 1.25% AND 1.5%.</b>
<b>Brief Description of Proposal:</b>	
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>ANNUALIZED</b>
<b>Total (Savings) Expected:</b>	<b>\$ 23,393,926 @ 1.25% \$ 46,787,853 @ 1.50%</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If “Yes” please comment.	YES	Assessment percentages are established in law.
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If “Yes” please provide a brief description and timeframe.	NO	
<b>Will this proposal require an administrative rule?</b> (Yes or No) If “Yes” please provide a brief description and timeframe.	NO	
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If “Yes”, for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If “Yes” for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	NO	
<b>Will this proposal require additional staffing?</b> (Yes or No) If “Yes” provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

**Additional Comment(s):**

Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have

**Program Analysis:**

<b>Lead Analyst:</b>	Chris Augsburger (HQA)
<b>Secondary Analyst:</b>	
<b>Comment:</b>	
<b>Date Completed:</b>	8/22/07
<b>Total (Savings) Cost of Proposal:</b>	\$ 23,393,926 @ 1.25% \$ 46,787,853 @ 1.75%
<b>General Revenue:</b>	(\$0)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$0)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	\$ 23,393,926 @ 1.25% \$ 46,787,853 @ 1.75%
<b>Other State Funds:</b>	

Attach Work Papers:

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## PUBLIC MEDICAL ASSISTANCE TRUST FUND ASSESSMENT CH. 395.701, F.S.

2006 Hospital Data	Current Net Outpatient Assessment at 1.0 percent	Proposed Net Outpatient Assessment at 1.25 percent	Proposed Net Outpatient Assessment at 1.5 percent
Assessment Amount	\$93,575,705	\$116,969,631	\$140,363,558
Increase over current assessment		\$23,393,926	\$46,787,853

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 25

<b>Proposal Name:</b>	<b>REDUCE/ELIMINATE MEDICAID CHOICE COUNSELING CONTRACT (NON-REFORM)</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE FOR ELIMINATING OR REDUCING THE CURRENT CONTRACT FOR MEDICAID CHOICE COUNSELING SERVICES. PLEASE PROVIDE POLICY/ METHODOLOGY TO IMPLEMENT.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>N/A</b>
<b>Total (Savings) Expected:</b>	<b>N/A</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	NO	
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	NO	
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	NO	
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	YES	The Managed Care 1915B waiver would need to be amended prior to the termination of the contract.
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?		
<b>Language Provided In the Governors Recommendations</b>		



# Medicaid Impact Conference Issues

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<p><b>Additional Comment(s):</b>          Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>Most beneficiaries in Florida Medicaid are required to enroll in a managed care plan. The Medicaid Options contract (non-reform Choice Counseling) is the only mechanism in which Medicaid beneficiaries can enroll in managed care plans in the 62 non-reform counties of the state. Currently, the Medicaid Options contract is operated by Affiliated Computer Services for a contractual amount of \$6.5 million for fiscal year 07-08.</p> <p>When the Agency competitively procured the new fiscal agent contract the services provided by Medicaid Options were included in the competitive solicitation. The fiscal agent contract was awarded to EDS. If the Medicaid Options services are not provided under the EDS contract, the Agency would need to increase the ACS Medicaid Reform Choice Counseling contract to include the 62 non-reform counties to the scope of services. Adding the non-reform counties to the current Medicaid Reform Choice Counseling contract would cost the state additional dollars as the services provided under the Choice Counseling contract are more expansive than the services provided under the Medicaid Options contract.</p>
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## Program Analysis:

<b>Lead Analyst:</b>	Chris Osterlund
<b>Secondary Analyst:</b>	Alan Strowd
<b>Comment:</b>	If contract is eliminated no enrollment in managed care would occur.
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	N/A
<b>General Revenue:</b>	(\$0)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$0)
<b>Refugee Assistance Trust Fund:</b>	
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

## **Medicaid Impact Conference Issues**

Special Session 2007 September 21, 2007 Revised Version

Attach Work Papers:

The Medicaid Options contract totals \$6,505,000 which is \$542,083 per month. Since this service was included in the procurement of the new fiscal agent contract which takes over as of March 2008, there is limited savings possible by eliminating this contract. The estimated savings is based on elimination of the Medicaid Options contract for January and February 2008.

Elimination of this contract would impact the non-reform managed care waiver as well as the Agency's policy to allow choice for the non-reform counties. Without an entity to assist and process choice enrollments, beneficiaries would not be able to join managed care plans of their choice.

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Proposal: Issue # 26

<b>Proposal Name:</b>	<b>MANAGED CARE EXPANSION</b>
<b>Brief Description of Proposal:</b>	<b>PROVIDE AN ESTIMATE FOR ELIMINATING MEDIPASS FOR THE MANAGED CARE ELIGIBLE MANADATORY POPULATION IN COUNTIES WHERE THERE ARE TWO OR MORE PLANS AND INCLUDE THE TRANSITION OF CURRENT MEDIPASS ENROLLEES IN THE MANDATORY POPULATION.</b>
<b>Proposed State Fiscal Year: 00/00</b>	<b>2007/08</b>
<b>Proposed Start Date: 00/00/0000</b>	<b>3/1/2008</b>
<b>Total (Savings) Expected:</b>	<b>(\$3,127,026)</b>
<b>Bureau(s) Responsible for Administration:</b>	<b>PROGRAM ANALYSIS</b>

## Administrator Questions:

<b>INSTRUCTED QUESTIONS</b>	<b>YES/ NO</b>	<b>RESPONSE</b>
<b>Will This proposal require a change in Florida Statute?</b> (Yes or No) If "Yes" please comment.	YES	This proposal would require an amendment to s. 409.9122, F.S., to revise the description of the mandatory assignment process.
<b>Will this proposal require a State Plan Amendment?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	YES	This proposal would require an amendment to the current State Plan to revise the description of the mandatory assignment process.
<b>Will this proposal require an administrative rule?</b> (Yes or No) If "Yes" please provide a brief description and timeframe.	NO	
<b>Will this proposal require a Federal waiver or modification to an existing waiver?</b> (Yes or No) If "Yes", for a new Federal Waiver, please provide type of waiver (i.e. 1915b, 1115 ect...) and timeframe to complete waiver process. If "Yes" for Modification to an existing waiver please provide the current waiver name, type and timeframe to complete modifications	YES	This proposal will require an amendment to the approved 1915(b) Managed Care Waiver to revise the description of the mandatory assignment process.
<b>Will this proposal require additional staffing?</b> (Yes or No) If "Yes" provide a description of what type of staff is needed (Number of FTEs or OPS), Pay Grade/Title, Proposed Duties. Could the administration duties be contracted?	NO	
<b>Language Provided In the Governors Recommendations</b>		

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

<p><b>Additional Comment(s):</b>          Administrator's professional judgment regarding proposal. Please provide any additional comments regarding potential ramifications this proposal may have</p>	<p>Note: * If MediPass would no longer operate in all areas of the state, we would need to amend Rule 59G-8.400, Medicaid Physician Access System.</p>
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## Program Analysis:

<b>Lead Analyst:</b>	Fred Roberson (MPA)
<b>Secondary Analyst:</b>	Melanie Brown-Woofter (HSD)
<b>Comment:</b>	
<b>Date Completed:</b>	8/24/07
<b>Total (Savings) Cost of Proposal:</b>	(\$3,127,026)
<b>General Revenue:</b>	(\$1,339,642)
<b>Administrative Trust Fund:</b>	
<b>Medical Health Care Trust Fund:</b>	(\$1,769,298)
<b>Refugee Assistance Trust Fund:</b>	(\$ 18,086)
<b>Tobacco Settlement Trust Fund:</b>	
<b>Grants and Donation Trust Fund:</b>	(\$0)
<b>Public Medical Assistance Trust Fund:</b>	
<b>Other State Funds:</b>	

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Attach Work Papers:

Reduction from aggressive assignment to Managed care

**Phase out Medipass for Mandatory Populations in counties with 2 or more managed health care plans**

TOTAL	(\$3,127,026)
GENERAL REVENUE	(\$1,339,642)
MEDICAL CARE TRUST FUND	(\$1,769,298)
REFUGEE ASSISTANCE TRUST FUND	(\$18,086)

Increase Managed care by

<u>PREPAID HEALTH PLAN</u>	Current	14,525
CASELOAD	712,632	727,157
UNIT COST	\$224.26	\$224.26
TOTAL COST	\$1,917,744,499	\$1,956,832,330
CASELOAD-MENTAL HEALTH	555,629	555,629
UNIT COST	\$41.45	\$41.45
TOTAL COST	\$276,370,279	\$276,370,279
TOTAL COST	\$2,194,114,778	\$2,233,202,609
TOTAL GENERAL REVENUE	\$939,778,331	\$956,721,449
TOTAL OTHER STATE FUNDS	\$0	
TOTAL MEDICAL CARE TRUST FUND	\$1,241,646,399	\$1,263,565,041
TOTAL REFUGEE ASSISTANCE TF	\$12,690,048	\$12,916,119
TOTAL TOBACCO SETTLEMENT TF	\$0	\$0
TOTAL GRANTS AND DONATIONS TF	\$0	\$0

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

Phase our Medipass in counties with 2 or more managed Care plans

Offset to other Services

SERVICE	TOTAL
PHYSICIAN SERVICES	(\$6,097,084)
HOSPITAL INPATIENT SERVICES	(\$18,904,625)
PRESCRIBED MEDICINE	(\$12,013,910)
HOSPITAL OUTPATIENT SERVICES	(\$4,255,612)
OTHER LAB AND X-RAY	(\$420,726)
MEDIPASS	(\$522,900)
<b>SUBTOTAL</b>	<b>(\$42,214,857)</b>
PREPAID PLANS	\$39,087,831
REDUCTION	(\$3,127,026)
GR	(\$1,339,642)
MCTF	(\$1,769,298)
RATF	(\$18,086)

# Medicaid Impact Conference Issues

## Special Session 2007 September 21, 2007 Revised Version

Estimated Impact of Increasing Managed Care

Statewide MediPass enrollment is 551,817 as of August 2007

All of the mandatory population in counties with 2 or more managed health care plans will have to choose one of the plans

Counties with two or more managed care plans	MediPass only no PSN MPN	Voluntaries	Possible transfer to Managed care	Phase in over 12 months	Phase in the caseload in 12 equal increments		
1	BREVARD	6,939	410	6,529	3/1/2008	17,430	17,430
2	DADE	66,653	1,511	65,142	4/1/2008	17,430	34,860
3	GADSDEN	2,636	59	2,577	5/1/2008	17,430	52,290
4	HERNANDO	3,181	219	2,962	6/1/2008	17,430	69,720
5	HIGHLANDS	3,978	139	3,839	7/1/2008	17,430	87,150
6	HILLSBOROUGH	26,180	1,984	24,196	8/1/2008	17,430	104,580
7	JEFFERSON	555	6	549	9/1/2008	17,430	122,010
8	LAKE	5,790	320	5,470	10/1/2008	17,430	139,440
9	LEE	8,541	341	8,200	11/1/2008	17,430	156,870
10	LEON	7,532	252	7,280	12/1/2008	17,430	174,300
11	LIBERTY	488	9	479	1/1/2009	17,430	191,730
12	MADISON	1,157	16	1,141	2/1/2009	17,430	209,160
13	MANATEE	2,274	361	1,913	3/1/2009		209,160
14	ORANGE	15,528	1,109	14,419	4/1/2009		209,160
15	OSCEOLA	3,765	178	3,587	5/1/2009		209,160
16	PALM BEACH	12,261	1,051	11,210	6/1/2009		209,160
17	PASCO	7,318	587	6,731			
18	PINELLAS	15,396	1,390	14,006			
19	POLK	11,044	828	10,216			
20	SARASOTA	4,595	302	4,293			
21	SEMINOLE	3,320	238	3,082			
22	VOLUSIA	11,033	713	10,320			
23	WAKULLA	1,057	35	1,022			
		221,221	12,058	209,163	17,430		

3/1/2008	17,430	17,430		
4/1/2008	17,430	34,860		
5/1/2008	17,430	52,290		
6/1/2008	17,430	69,720	14,525	Average monthly increase in SFY 07-08
7/1/2008	17,430	87,150		
8/1/2008	17,430	104,580		
9/1/2008	17,430	122,010		
10/1/2008	17,430	139,440		
11/1/2008	17,430	156,870		
12/1/2008	17,430	174,300		
1/1/2009	17,430	191,730		
2/1/2009	17,430	209,160		
3/1/2009		209,160		
4/1/2009		209,160		
5/1/2009		209,160		
6/1/2009		209,160	168,490	Average monthly increase in SFY 08-09
	209,160		209,160	Annualized average monthly increase

209,160 209,160 Annualized average monthly increase

Estimated Fiscal Impact - Savings				
	Average Monthly Caseload Increase	Total	Trust	State
SFY 07-08	14,525	\$ 3,127,026	\$ 1,787,384	\$ 1,339,642
SFY 08-09	168,490	\$39,771,562	\$ 22,733,114	\$ 17,038,448
Annualized	209,160	\$49,371,594	\$ 28,220,417	\$ 21,151,177

% HMO increase  
2.0%  
23.6%  
29.4%

# Medicaid Impact Conference Issues

Special Session 2007 September 21, 2007 Revised Version

## Assumptions:

- 1) In the counties with 2 or more health plans there were 221,221 total enrolled in MediPass.
- 2) 209,163 of the total enrolled are mandatory for managed care enrollment.
- 3) The Agency assumes that the transition from MediPass would be for 12 months.
- 4) One 12th of the 209,163 is 17,430.
- 5) Beginning with 17,430 for March 2008 and adding 17,430 each month for 12 months.
- 6) Using the totals created in 5, a monthly average of 14,525 is used in the analysis for SFY 07/08 and 168,490 for SFY 08-09.
- 7) It was assumed that MediPass would continue for those voluntary populations currently in the program.
- 8) To calculate savings to other services, an 8 percent reduction was applied to all the appropriate services.