

# Florida Update

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## Current Florida Medicaid Enrollment

As of June 2009, there were 2,453,040 Medicaid recipients in Florida. This represents an increase of over three percent from the December 2008 enrollment level. Enrollment in Florida's Medicaid Managed Care programs realized an increase of almost 15 percent during this same time period (66 percent of the state's Medicaid recipients are currently enrolled in a managed care program). The remaining 34 percent of the Medicaid population receives care on a fee for service (FFS) basis. These FFS recipients are primarily those who are not eligible for managed care enrollment.

### Trends in Florida's Medicaid Delivery System

The increase in Medicaid managed care enrollment between December 2008 and June 2009 was largely in HMOs and Provider Service Networks (PSNs). HMO enrollment increases have slowed through the second quarter of 2009, with PSN and MediPass enrollments rising. As of June 2009, 58 percent of recipients in Medicaid managed care were enrolled in one of the 17 HMOs serving the Medicaid population throughout Florida, including beneficiaries

enrolled in Medicaid Pilot (formerly called Reform) counties. Additional information, by plan and Florida County, is provided in the inserts with this newsletter.

As of June 2009, approximately nine percent of Florida Medicaid's managed care enrollees are

**Trends in Number of Florida Medicaid Members by Program Type  
December 2008 through June 2009**

	Dec-08	Mar-09	Jun-09	% Change, 12/08 - 6/09
Fee for Service	959,705	826,028	842,732	-12.19%
Managed Care	1,405,765	1,533,497	1,610,308	14.55%
<b>Enrollment distribution by type of managed care program:</b>				
HMOs	831,472	934,802	936,833	12.67%
Provider Service Networks	74,975	97,699	143,061	90.81%
PCCM (MediPass & Pilots)	499,318	500,996	530,414	6.23%

enrolled in a PSN. Since December 2008, two new PSNs began enrolling members. Although one PSN has ceased to exist since December 2008 (Pediatric Associates) enrollment levels have increased across all other PSNs. As of June 2009, overall PSN enrollment, at 143,061, is more than 90 percent higher than in December 2008. PSNs also operate in the Pilot counties along with the HMOs. As of June 2009, there are seven PSNs operating in Florida (see below).

Provider Service Networks	Number of Enrollees December 2008	Number of Enrollees June 2009
Access Health Solutions	21,258	52,079
Better Health, LLC (New PSN, enrollments as of 5/1/09)	0	4,438
CMS Network	4,486	5,484
NetPass	5,138	8,118
Pediatric Associates	9,254	0
Prestige (New PSN, enrollments as of 12/08)	3	16,381
SFCCN	16,334	27,360
Shands/Jax DBA First Coast Advantage	18,502	29,201
<b>Total Provider Service Network Enrollment</b>	<b>74,975</b>	<b>143,061</b>

The remaining 33 percent of the Florida Medicaid managed care population (530,414 enrollees) receives care through Florida’s Primary Care Case Management Program (PCCM). The PCCM program currently consists of three distinct programs: MediPass (which includes special needs children who receive services from Children’s Medical Services and who are not enrolled in the CMS Provider Service Network that operates in two Pilot counties), Access Health Solutions, and NetPass. The distribution of Florida’s PCCM population has changed over the first quarter of 2009. In December 2008 only 74 percent of the PCCM population was enrolled through MediPass. As of June 2009, approximately 86 percent of the PCCM population is enrolled in MediPass, 11 percent is in Access Health Solutions and 3 percent is in NetPass. Pediatric Associates is no longer enrolling Florida Medicaid recipients.

The listing of Florida Medicaid HMOs and other information is updated by the Agency for Health Care Administration (AHCA), Bureau of Managed Health Care. To find the latest listing with contact information, go to:

[www.fdhc.state.fl.us/MCHQ/Managed\\_Health\\_Care/MHMO/index.shtml](http://www.fdhc.state.fl.us/MCHQ/Managed_Health_Care/MHMO/index.shtml).

### Florida KidCare

As of April 2009, there were 1,601,555 children enrolled in Florida KidCare, the state’s health insurance program for uninsured children under age 19. Of this total, 220,614 children were enrolled through Title XXI (CHIP) and 1,359,709 were enrolled through Title XIX (Medicaid). Total enrollment in Florida KidCare has increased approximately six percent from December 2008 through April 2009. The majority of this increase relates to children enrolled in Title XIX (Medicaid), where enrollment has grown 6.45 percent during this timeframe; Title XXI enrollment increased less than one percent. The following web site provides additional Florida KidCare data and enrollment trends:

[www.floridakidcare.org/resources.html](http://www.floridakidcare.org/resources.html).

### Florida’s Commercial HMO Update

The Florida Office of Insurance Regulation compiles quarterly fiscal and enrollment

data reported by each HMO. Information contained in the “Managed Care Summary Report” has not been audited or independently verified. The report for the quarter ending December 31, 2008 reflects data retrieved on May 15, 2009. The report includes assets, liabilities, capital and surplus information by carrier; premiums and other considerations by carrier and market segment; enrollment by county, by carrier, by carrier/county; and enrollment by market segment and by carrier/market segment. The following table compares data for quarter ending December 2008 with that reported for December 2007.

	Dec 2007	Dec 2008
Managed Care Organizations	38	39 (loss of 3 plans/ additions of 4)
MCOs Reporting Loss	10	13
Overall Net Income	\$641,513,100	\$491,152,736
Total Enrollment	3,441,058	3,419,116
Medicare Enrollment	662,406	710,304
Medicaid Enrollment	762,278	871,274

To view the December 2008 Report, go to: [www.floir.com/pdf/HMO4Q2008.pdf](http://www.floir.com/pdf/HMO4Q2008.pdf). For more information or to view previous reports visit: [www.floir.com/DataReports/DataReports.aspx](http://www.floir.com/DataReports/DataReports.aspx).

### Florida Revenue and Medicaid Projections

The **Revenue Estimating Conference** for the **General Revenue Fund** has not met since March 13, 2009. Results of that meeting were reported in the spring issue of *The Florida Update*. An updated financial outlook statement including Legislative Budget Commission action on April 15, 2009 has been posted to <http://edr.state.fl.us/conferences/outlooks.htm>. This statement reports projected funds available each fiscal year through 2011-12. The statement projects that there will be \$1087.6 million less in available funds in 2011-12 than are available in 2008-09. Post session impact conferences were held June 9 and 15 to discuss the effect of specific legislative actions. For

copies of the agendas, an index of issues and back-up materials go to:

<http://edr.state.fl.us/conferences/revenueimpact/impact.htm>.

The **Social Services Estimating Conference** for Medicaid Caseloads and Expenditures has not met since reported in the last issue of *The Florida Update*. Conferences are scheduled for July 20, 2009 to discuss Medicaid Caseloads and August 3, 2009 to discuss Medicaid Expenditures. It is anticipated that these conferences will establish the base budget for Medicaid 2009-10 based upon the appropriations act.

Information on any of the conferences along with reports, minutes, work papers, projections and conference schedules are available on the Florida Legislature, Office of Economic and Demographic Research web site:

<http://edr.state.fl.us/conferences.htm>.

## 2009 Florida Legislative Session Summary

**B**ills affecting Florida health care that were passed during the session and approved by the Governor include:

- SB 162 – Electronic Health Records: Expands access to a patient's health records to facilitate the exchange of data between certain health care facility personnel, practitioners, providers, and attending physicians; deletes the exemption that allows long-term ombudsman councils to have access to certain nursing home patient records; and creates the "Florida Electronic Health Records Exchange Act." Effective upon becoming law (signed 6/16/09).
- HB 185 – Access to Health Care: Expands membership of the board of directors of Florida Healthy Kids Corporation; specifies provider arrangement contract prohibitions or restrictions; prohibits prepaid limited health service organizations from requiring specified contract continuation or renewal conditions; provides for voiding of certain contracts; provides for absence of liability for specified criminal penalties, etc. Effective 7/1/2009.
- HB 675 – Medicare Supplement Policies / "Alonzo Mourning Access to Care Act": requires insurers issuing Medicare supplement policies in Florida to offer the opportunity to enroll to specified individuals having disability or end-stage renal disease; permits insurers offering Medicare supplement policies to effect one-time rate schedule change, etc. Effective 10/1/2009.
- HB 873 – Inactive Licenses/Certificates of Need/Health Care: Extends the period for which a certificate of need is valid; provides for the renewal of inactive license status for statutory rural hospitals; requires plan approval and commencement of construction under certain circumstances; and requires proof of enforceable capital expenditures under certain circumstances. Effective 5/20/2009.
- SB 918 – Florida KidCare Program: Increases marketing and streamlines the enrollment process; shortens the waiting time to enroll in the state program and lessens the penalties for missing a premium payment; clarifies the application of the Florida Kidcare program to include all eligible uninsured, low-income children; removes a restriction on participation in the Florida Healthy Kids program; deletes provisions that place a limit on enrollment in Medikids and the Florida Healthy Kids full-pay program; revises the duties of the Florida Healthy Kids Corporation; expands the role of the guardian ad litem, etc. Effective 7/1/2009.
- SB 1122 – Health Insurance/Payment of Benefits/Claims Forms: Requires that insurers make payment to the designated provider of services whenever an insured, using any health insurance claim form, specifically authorizes payment of benefits directly to any recognized hospital, licensed ambulance provider, physician, dentist, or other person who provided services in accordance with provisions of the policy; provides that insurance contracts may not prohibit payment of benefits directly to such providers, etc. Effective 7/1/2009.
- HB 1269 – Breast Cancer Detection and

- Screening: Establishes a breast cancer early detection and treatment referral program within the Department of Health. Effective 7/1/2009.
- SB 1658 – Health Care: Authorizes AHCA to adopt rules related to the Public Medical Assistance Trust Fund; revises behavioral health and dental services coverage under the KidCare program; updates the data to be used in calculating disproportionate share hospital (DSH) payments; authorizes AHCA to make DSH payments to certain hospitals; directs AHCA to establish pilot projects in Miami-Dade County relating to home health services, etc. Effective 7/1/2009.
  - SB 1660 – Agency for Persons with Disabilities: Requires that the agency assign and provide priority to persons waiting for waiver services; classifies and specifies the order of priority; directs the agency to eliminate medication-review services; creates a study group to evaluate the creation of a prepaid service plan for children with disabilities, etc. Effective 7/1/2009.
  - SB 1986 – Health Care/Medicaid Fraud and Abuse: Designates Miami-Dade County as a health care fraud area of concern; authorizes a specialty-licensed children's hospital to provide cardiology services to adults for congenital heart disease under certain circumstances without obtaining additional licensure as a provider of adult cardiology services; imposes criminal penalties against a person who knowingly submits misleading information to AHCA in connection with applications, etc. Effective 7/1/2009.
  - SB 2612 – Substance Abuse and Mental Health Services: Establishes priority populations of persons who are eligible for services funded by the Department of Children and Family Services (DCFS); deletes a provision that authorizes DCFS to establish a pilot project to serve certain persons who qualify to receive substance abuse or mental health services in a specified district; provides that a crisis stabilization unit is exempt from licensure; authorizes DCFS to issue probationary,

regular, and interim licenses, etc. Effective 7/1/2009.

- SB 2658 – Fraud and Abuse in State-Funded Programs: Designates Miami-Dade County as a health care fraud area of special concern for certain purposes; provides additional licensure requirements for home health agencies, home medical equipment providers, and health care clinics; requires the posting of a surety bond in a specified minimum amount under certain circumstances; provides limitations on the licensure of home health agencies in certain counties; provides an exception, etc. Effective 7/1/2009 except as otherwise provided.

For detailed summaries of all legislation passed during the 2009 session go to: [www.myfloridahouse.gov](http://www.myfloridahouse.gov) “Florida House of Representatives, 2009 Session Summary of Passed Legislation,” and [www.flsenate.gov](http://www.flsenate.gov) (View all publications) “Senate, 2009 Regular Session Summary of Legislation Passed.”

### *Patient Pathways/Care Transitions Project*

On April 13, 2009, the federal Centers for Medicare & Medicaid Services (CMS) announced that 14 communities around the nation were chosen to participate in the Medicare Patient Pathways / Care Transitions Project. Miami-Dade County is one of the 14 communities. The project is being led in Florida by FMQAI (Florida's Medicare Quality Improvement Organization). FMQAI will partner with organizations to improve care coordination between health care providers. The goal is to improve Medicare beneficiaries' quality of care and reduce hospital readmissions. FMQAI will work to improve the transition process from hospitals to other care settings and address issues in medication management, post discharge follow-up and plans of care. More information about the project is available at: [www.cfmc.org/caretransitions](http://www.cfmc.org/caretransitions) and [www.fmqai.com/CT.aspx](http://www.fmqai.com/CT.aspx).

## Hospital and Health Plan Data

The Agency for Health Care Administration (AHCA) announced the release of updated health plan quality and hospital inpatient data on Florida Health Finder, [www.floridahealthfinder.gov](http://www.floridahealthfinder.gov). On the site you can compare the most recent quality of care and patient satisfaction measures for Florida HMOs and PPOs. The most current Hospital Financial Data Book, showing an analysis of financial results for fiscal year ending in 2007, is also available on this site.

## National Health Care Reform

**Policy Option Papers** – Senate Finance Committee Chairman Max Baucus (D-Montana) and Ranking Member Chuck Grassley (R-Iowa) have released a series of papers on health reform related to (1) Delivery System Reform, (2) Coverage Policy Options, and (3) Financing Policy Options and have begun hearings on these options. Among other provisions the coverage options include insurance market reforms including creation of a health insurance exchange, expansion of Medicaid, a public health insurance option and an option of Medicare buy-in for people between the ages of 55 and 64. The Senators have laid out several options for Medicaid expansion. It appears that in all cases states would be required to continue their share of funding for individuals eligible for Medicaid at the time the national plan is enacted. There could be significant federal participation, at least initially, in the cost of coverage for Medicaid expansion populations. The options papers and other documents related to the Senate Finance Committee's health care reform strategies are available at:

[www.finance.senate.gov/sitepages/Policy%20option%20report.html](http://www.finance.senate.gov/sitepages/Policy%20option%20report.html).

**Legislation** – An initial version of the "Affordable Health Choices Act" was released June 9, 2009 by Senator Ted Kennedy, Chairman of the HELP Committee (Senate Committee on Health, Education, Labor and Pensions). The Act includes five major elements: Choice, Cost

Reduction, Prevention, Health System Modernization and Long-Term Care and Services. The 615-page bill can be found at: [http://help.senate.gov/BAI09A84\\_xml.pdf](http://help.senate.gov/BAI09A84_xml.pdf).

On June 19, 2009, Chairmen of the House Committees on Education and Labor, Commerce and Ways and Means introduced a joint 852-page "discussion draft." This "Reform" legislation would penalize individuals if they do not carry health insurance and employers if they do not offer it, while creating a new government-run insurance plan to compete with private health plans. To read the draft go to: <http://waysandmeans.house.gov/media/pdf/11/hrdraft.pdf>.

**Are You Ready?** Significant change in the way the health care system is organized is expected. Health Management Associates (HMA) has been following and analyzing the issues very closely and can help you understand the changes and implications. Contact us for more information.

## What's New on the HMA Web Site?

*Covering America: A Timely Reprise* is a recent essay prepared for the Robert Wood Johnson (RWJ) Foundation as part of the "Covering America Project." The essay by HMA's Jack Meyer and Elliot Wicks re-introduces the *Covering America* project with the hope that it will provide some timely guidance in the struggle to find a political consensus around a plan to cover the uninsured. Between 2000 and 2003, *Covering America* produced 17 papers by leading national health policy experts outlining a diverse range of comprehensive proposals to provide affordable health coverage for millions of uninsured Americans. The current "Covering America" essay as well as summaries of the earlier papers and the papers themselves are available on the RWJ web site at: [www.rwjf.org/coverage/product.jsp?id=39850](http://www.rwjf.org/coverage/product.jsp?id=39850).

To find other important news and research, visit HMA's web site at:

[www.healthmanagement.com](http://www.healthmanagement.com).

## ARRA and Electronic Health Information Initiatives

Governor Charlie Crist reports that the state has met every deadline and request for information in order to ensure that Florida receives available American Recovery and Reinvestment Act (ARRA) funds. For the latest on all of Florida's Recovery Act activities go to: [www.FlaRecovery.com](http://www.FlaRecovery.com).

As part of the ARRA, the federal government has appropriated about \$33 billion in incentives for Medicare and Medicaid providers that invest in Electronic Health Records. Details regarding what type of program will qualify for the incentives have not yet been finalized.

AHCA is designated as the entity to lead Florida's efforts to draw down stimulus dollars for health information initiatives. In addition to provider incentives, ARRA authorizes federal grants to states for the planning and implementation of electronic health information exchange. With the advice of the Health Information Exchange Coordinating Committee, AHCA will perform a critical role in coordinating Florida's planning and implementation. The Committee's schedule of meetings, including one on July 10, 2009, and meeting materials are available at: [www.fhin.net/FHIN/workgroups/HIECCmeetings.shtml](http://www.fhin.net/FHIN/workgroups/HIECCmeetings.shtml). For more information on the Florida Health Information Network (FHIN) go to: [www.fhin.net](http://www.fhin.net).

## Send us a Message

Send a message to [glarosa@healthmanagement.com](mailto:glarosa@healthmanagement.com) if you would like more information about any of HMA's services. Please also let us know if you have feedback on *The Florida Update*, prefer to receive future editions by e-mail, need to change your mailing address or would like to be removed from the mailing list.

## Announcements

### Free Continuing Education Opportunities for Health Professionals

Are you or any of your staff looking for ways to expand your professional knowledge or obtain continuing education credits? On-line courses are available through the Florida Keys Area Health Education Center. Many courses are offered at no cost. For more information and to see the Course Catalog go to:

[www.aheceducation.com](http://www.aheceducation.com).

### Florida Department of Health Men's and Women's Health Initiatives

The department recently launched a web site specifically dedicated to Men's Health. The site contains information on health issues that affect men along with a host of resources for maintaining good health; go to:

<http://doh.state.fl.us/family/menshealth>. The department also has a site dedicated to issues affecting women's health at:

[www.doh.state.fl.us/womenshealth](http://www.doh.state.fl.us/womenshealth).

# The Florida Update

HEALTH MANAGEMENT ASSOCIATES

For further information please contact:  
Gail LaRosa

Florida Office:  
Kleman Plaza  
301 S. Bronoght Street, Suite 500  
Tallahassee, Florida 32301  
Telephone: (850) 222-0310 • Fax (850) 222-0318

Other HMA Offices:  
Austin, Texas • Chicago, Illinois • Columbus, Ohio  
Indianapolis, Indiana • Lansing, Michigan  
New York, New York • Sacramento, California  
Southern California • Washington, DC

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