



## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

**Provide Limited Government**—The bill changes funding criteria resulting in \$208.3 million in special payments to hospitals that provide a disproportionate share of the Medicaid or charity care services to uninsured individuals as provided in the House of Representatives proposal for general appropriations.

#### B. EFFECT OF PROPOSED CHANGES:

Each year the Low-Income Pool Council (formerly Disproportionate Share Council) makes recommendations to the Legislature on the Medicaid Disproportionate Share Program funding distributions to hospitals that provide a disproportionate share of the Medicaid or charity care services to uninsured individuals. This bill amends chapter 409, Florida Statutes, to implement the current recommendations of the Low-Income Pool Council.

The bill amends section 409.911, Florida Statutes, revising the method for calculating disproportionate share payments to hospitals for Fiscal Year 2007-2008 by changing the years of averaged audited data from 2000, 2001 and 2002 to 2001, 2002 and 2003. The bill amends section 409.9112, Florida Statutes, revising the time period from Fiscal Year 2006-2007 to Fiscal Year 2007-2008 during which the agency is prohibited from distributing funds under the Disproportionate Share Program for Regional Perinatal Intensive Care Centers. The bill also amends section 409.9113, Florida Statutes, requiring that funds for statutorily defined teaching hospitals in Fiscal Year 2007-2008 be distributed in the same proportion as funds were distributed under the Disproportionate Share Program for Teaching Hospitals in Fiscal Year 2003-04. Finally, the bill amends section 409.9117, Florida Statutes, revising the time period from Fiscal Year 2006-2007 to Fiscal Year 2007-2008 during which the agency is prohibited from distributing funds under the Primary Care Disproportionate Share Program.

Currently, Florida Medicaid reimburses Certified Registered Nurse Anesthetists not less than 80 percent of the reimbursement that would be paid to a physician who provided the same service. This bill would enable the reimbursement of an Anesthesiologist Assistant licensed under section 458.3475 or section 459.023, Florida Statutes, to be reimbursed at the same level as the Certified Registered Nurse Anesthetist.

#### C. SECTION DIRECTORY:

**Section 1.** Amends s. 409.911, F.S., implementing Fiscal Year 2007-2008 provisions to the Disproportionate Share Program.

**Section 2.** Amends s. 409.9112, F.S., implementing Fiscal Year 2007-2008 provisions for the Disproportionate Share Program for Regional Perinatal Intensive Care Centers.

**Section 3.** Amends s. 409.9113, F.S., implementing Fiscal Year 2007-2008 provisions for the Disproportionate Share Program for Teaching Hospitals.

**Section 4.** Amends s. 409.9117, F.S., implementing Fiscal Year 2007-2008 provisions for the Primary Care Disproportionate Share Program.

**Section 5.** Amends s. 409.906 F.S. to add anesthesiologist assistant services as a reimbursable cost from the Florida Medicaid program.

**Section 6.** Provides an effective date of July 1, 2007

## **II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

### **A. FISCAL IMPACT ON STATE GOVERNMENT:**

1. Revenues:

\$118.4 million—Medicaid funds

2. Expenditures:

\$6.2 million—General Revenue funds transferred from the Department of Health for the Disproportionate Share Program for Teaching Hospitals

### **B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

None

2. Expenditures:

\$83.7 million in local governments and other local political subdivisions contributions

### **C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

Hospitals providing a disproportionate share of Medicaid or charity care services will receive additional reimbursements towards the cost of providing care to uninsured individuals.

### **D. FISCAL COMMENTS:**

None

## **III. COMMENTS**

### **A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to spend funds or take an action requiring the expenditure of funds. This bill does not reduce the percentage of a state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenue.

2. Other:

None

### **B. RULE-MAKING AUTHORITY:**

No additional rulemaking authority is required to implement the provisions of this bill.

### **C. DRAFTING ISSUES OR OTHER COMMENTS:**

None

### **D. STATEMENT OF THE SPONSOR**

None.

#### **IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES**

On March 30, 2007, the Policy and Budget Council reported the bill favorable with council substitute. The council substitute differs from the bill that passed out of the Health Care Council with one amendment, as follows:

- Adds anesthesiologist assistant services as a reimbursable cost from the Florida Medicaid program. Anesthesiologist assistant services may be reimbursed at the same level as Registered Nurse First Assistant service. There is no impact to the Florida Medicaid Program.

The staff analysis reflects the CS/HB 7047.