



RICK SCOTT
GOVERNOR

Better Health Care for all Floridians

ELIZABETH DUDEK
SECRETARY

March 29, 2011

Mr. Mark Pahl, Project Officer
Centers for Medicare and Medicaid Services
Center for Medicaid and State Operations
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, Maryland 21244-1850

Dear Mr. Pahl:

As required by Special Term and Condition # 24 under Florida's 1115 Medicaid Reform Waiver, the State is providing the Centers for Medicare and Medicaid Services (CMS) 90-days advance notice of the program's expansion statewide as authorized by the Florida Legislature. Specifically, the Florida Legislature in its Memorial to Congress passed November 16, 2010, declared its intent to geographically expand Florida's 1115 Medicaid Reform Waiver statewide. In addition, there are several bills that have been filed to expand managed care statewide. As a result, the State is providing the required notice.

The State recognizes that Florida's 1115 Waiver extension request is currently pending and wants to ensure that the Centers for Medicare and Medicaid Services (CMS) is properly notified of the Florida Legislature's direction to manage the Medicaid program. The State's objective is to provide better care management while promoting cost stability. As CMS is aware, these are current objectives in the pending extension request. Similar to many other states, enrollment in Florida Medicaid has grown substantially. According to the National Bureau of Economic Research, the current recession began in December of 2007. During State Fiscal Year (SFY) 2007-2008, average monthly program enrollment was 2.149 million. For SFY 2011-2012, enrollment is expected to reach 3.167 million, representing an increase of 47.3%. The projected budget shortfall for Florida Medicaid that must be addressed in SFY 2011-2012 is estimated to be over \$2.9 billion.

Similar to other states that are seeking innovation and flexibility in managing their Medicaid program, Florida believes that the currently approved 1115 Medicaid Reform Waiver provides such flexibility, the State is seeking to expand the program. Many of the programs under the waiver are innovative programs that seek to improve health care for enrollees. Specifically, the waiver provides integrated care models, customized benefits, and additional managed care options to serve Florida's diverse population. In addition, under the waiver, the State has implemented innovative payment methodologies to promote more efficient delivery of care, significantly improved plan accountability, and improved beneficiary outcomes.



Since implementation, the State has proactively addressed any issues that have arisen and continues to improve program operations. Highlights of key successes are provided below.

Benefits

Despite the economic downturn which limited health plans flexibility and ability to target the needs of unique populations, most plans continued to offer additional services not previously offered (under the Florida Medicaid State Plan). Such expanded benefits have included adult preventative dental services for adults; over-the-counter drug benefits, and enhanced adult vision and hearing services for adults.

Patient Satisfaction Survey Results

- Enrollee satisfaction for most indicators remained stable or increased slightly (including specialty care ratings, emergency room visits, communication, courtesy and respect of staff) and showed little if any change from benchmark measures taken prior to demonstration through the first three years of implementation.
- In some areas, statistically significant changes were observed. There was an upward change in satisfaction with recipient's personal doctor and with getting needed care.
- Below are select examples where there was an increased satisfaction at the point of care. It should be noted, that in the recently release March 2011, Report to Congress on Medicaid and CHIP, by Medicaid and CHIP Payment and Access Commission (MACPAC), the ratings in Florida were favorable compared to the information in the report.
 - *In Broward and Duval counties, the percentage of individuals who reported it was not a problem to find a primary care provider increased from the Benchmark Year (period prior to the demonstration) compared to the first two years of the demonstration (from 75% to 86%). While in the rural counties, more than 80% of enrollees said it was not a problem to find a primary care provider.*
 - *In Broward and Duval counties, between 60 and 63% of enrollees rated their satisfaction with the specialist at the highest level. In the rural counties, between 67 and 68% of enrollees rated their satisfaction with their specialist at the highest level. This is substantially higher than the reported survey results in the MACPAC Report which noted the following ratings: 60.5% for Medicaid and 61.8% for Commercial.*

2010 Performance Measures (HEDIS and HEDIS-like)


- Measures continue to improve and in 2010, 15 measures exceed the national mean. Specifically, measures focusing on the care of chronic conditions such as diabetes, hypertension, and asthma remained strong performers, often exceeding the national mean.
- Annual Dental Visit, a measure that is particularly challenging for most health plans, achieved an 18.2% increase over the course of the demonstration with a 4.9% increase over the past year.

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- Childhood Immunization Status saw a one year increase of 6.4% in Combo 2 and 8.9% in Combo 3.
- Strong performance continued for Well-Child Visits in the Third, Fourth, Fifth and Sixth Years of Life.

As the State expands the program, it will focus on stability and continuity of care. We appreciate your efforts in working with our staff on the demonstration waiver and the three year extension waiver request. Should you have any questions, please contact Linda Macdonald at (850) 412-4031. We look forward to continuing to work with you.

Sincerely,



Elizabeth Dudek
Secretary

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Enclosures
cc: Joe Gaiser, CMS-CO
Etta L. Hawkins, CMS-RO
Cheryl L. Brimage, CMS-RO
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