Implementation Update

Brian Meyer, Deputy Secretary for Medicaid

Kim Smoak, Deputy Secretary for Health Quality Assurance

Senate Health Policy Committee

February 4, 2025



Implementation Updates - Outline

• SB 7016 (2024): Workforce

- Florida Reimbursement Assistance for Medical Education Program (FRAME), Dental Student Loan Repayment and Training, Education, and Clinicals in Health (TEACH)
- SB 7016 (2024): Rate Changes
 - DRG and Provider Rate/Fee Increases
- SB 7016/SB 330 (2024): Funding for Graduate Medical Education (GME)
 - GME Committee, Slots for Doctors Program, and Behavioral Health Teaching Hospitals
- SB 7016 (2024): New Coverage
 - Mobile Crisis Response Services, Acute Hospital Care at Home Program, and Advanced Birth Centers
- Other Implementation Updates:
 - SB 644 (2024) Rural Emergency Hospitals
 - SB 7016 (2024): Legislatively Required Reports
 - Advanced Birth Centers Reimbursement Methodology, Analysis of Potentially Preventable Health Care Events, GME
 Committee Report, and TEACH report



SB 7016 (2024): Workforce

- Florida Reimbursement Assistance for Medical Education Program (FRAME)
- Dental Student Loan Repayment
- Training, Education, and Clinicals in Health (TEACH)



SB 7016 (2024): Workforce *Sections 1 and 2*

Florida Reimbursement Assistance for Medical Education Program (FRAME)

- Loan repayment program for qualified medical, mental health, and nursing professionals in the program who practice in areas with provider shortages
- Directs the Agency to seek federal authority to use Title XIX Matching Funds

Dental Student Loan Repayment Program (Dental FRAME)

- Loan repayment program for dental hygienists and dentists
- Directs the Agency to seek federal authority to use Title XIX matching funds



SB 7016 (2024): Workforce *Section 29*

Training, Education, and Clinicals in Health (TEACH) Funding Program

• Directed the Agency to request federal approval to provide funding to offset administrative costs for training and education for residents and students at federally qualified health centers, community mental health centers, rural health clinics, and certified community behavioral health centers



SB 7016 (2024): Workforce *FRAME and TEACH Funding Programs*



TEACH is operationalized by the Agency for Health Care Administration

FRAME is operationalized by the Department of Health





SB 7016 (2024): Workforce *FRAME and TEACH Funding Programs – Request for Federal Authority to Draw Federal Funds*

Implementation Steps	Status
Drafted the New Florida Workforce 1115 Waiver Demonstration	Completed - November 2024
Issued Provider and Stakeholder Communication for New Florida Workforce 1115 Waiver Demonstration	Completed - December
Began Public Comment Period for the New Florida Workforce 1115 Waiver Demonstration	2024
Held Public Meetings for the New Florida Workforce 1115 Waiver Demonstration Request	Completed - January 2025
Submit the New Florida Workforce 1115 Waiver Demonstration Request to CMS for the FRAME and TEACH Programs	Pending Submission Spring 2025



SB 7016 (2024): Workforce *FRAME and TEACH Funding Programs – Operational Implementation Steps*

Implementation Steps	Status
Published Webpage for TEACH Program Information and Application	Completed - October 2024
Issued TEACH Program Provider and Stakeholder Communication	
Hosted a Stakeholder Forum for the TEACH Program Application	Completed - November 2024
Shared Frequently Asked Questions & Responses for TEACH Program Application with Associations for Dissemination to their Members	
Initiated Administrative Rulemaking for TEACH	Completed - January 2025
Rule Completion	Autumn 2025
First TEACH Program report due	Due December 1, 2025



SB 7016 (2024): Rate Changes

- Pediatric and Adult Obstetrics DRG Methodology
- Provider Rate/Fee Increases:
 - Physical Therapy, Occupational Therapy, and Speech Therapy
 - Private Duty Nursing
 - Behavior Analysis
 - Dental Providers



SB 7016 (2024): Rate Changes *Section 82*

Pediatric and Adult Obstetrics DRG Methodology

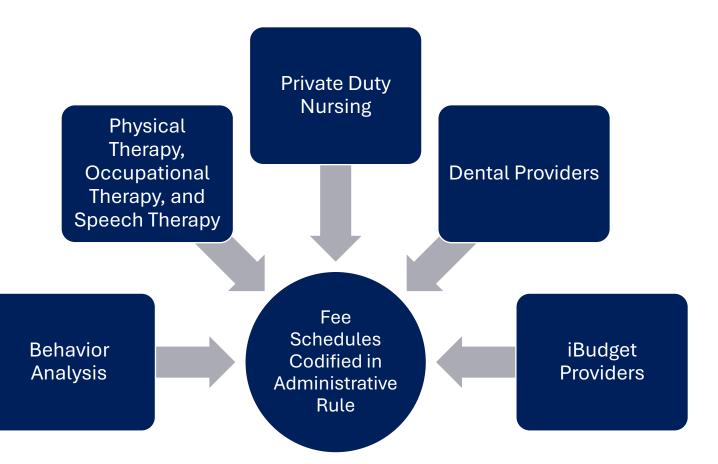
 Provided recurring funding to establish a Pediatric Normal Newborn, Pediatric Obstetrics, and Adult Obstetrics Diagnosis Related Grouping (DRG) reimbursement methodology for including in the DRG reimbursements for hospital inpatient services

Implementation Steps	Status
Updated System to Include New MethodologyAllows providers to receive the new DRG rate	Completed - July 2024
 Submitted State Plan Amendment (SPA) to CMS to Request Federal Approval Approval will provide a July 2024 effective date 	Submitted September 2024 Pending Approval (<i>anticipated Spring 2025</i>)



SB 7016 (2024): Rate Changes Sections 83, 84, 88, 89, and 90 - Provider Rate Increases

- Funding provided to increase rates for certain providers
- Reimbursement rates are codified in Administrative Rule
- Updated rates/fee schedules are effective as of October 1 of a given year, so providers can begin billing at the new rate and codified in the rule's next iteration
- Rule promulgation is currently underway with an expected effective date in Spring 2025*





*Providers can bill and receive reimbursement for the updated rate on and after the effective date established by Statute and GAA.

Rates are codified in rule and apply retroactively.

SB 7016/SB 330 (2024): Funding for Graduate Medical Education

- Graduate Medical Education (GME) Committee
- Slots for Doctors Program
- Behavioral Health Teaching Hospitals



SB 7016 (2024): Funding for GME *Section 28*

The Graduate Medical Education Committee

• Directed the Agency to create and populate a committee for the purpose of developing an annual report detailing:

The role of residents and medical faculty in the provision of health care The relationship of graduate medical education to the state's physician workforce The typical workload for residents and the role such workload plays in retaining physicians in the long-term workforce

The costs of training medical residents for hospitals and qualifying institutions The availability and adequacy of all sources of revenue available to support graduate medical education The use of state funds, for graduate medical education for each hospital or qualifying institution receiving such funds



SB 7016 (2024): Funding for GME Section 28 – GME Committee

Implementation Steps	Status
Developed Committee Milestones Timeline	Completed - May 2024
Developed Data Reporting Requirements for Qualifying Institutions Based on Positions Funded	
Published GME Committee Web Link and Splash Page on Agency Website	
Notified Committee Members of their Appointments	Completed - October 2024
Held Inaugural GME Committee Meeting	Completed - December 2024
Draft and Publish Committee Annual Report	Due July 1, 2025



Section 28 Section 28

Graduate Medical Education – Slots for Doctors

• Directed the Agency to provide additional funding for up to 200 resident positions that existed prior to July 1, 2023, to hospitals and qualifying institutions which have applied for the funding

Implementation Steps	Status
Receipt of New Applications for Funding	Completed - December 2024
Publish Slots for Doctors Program Distribution	Estimated Spring 2025
Submit GME Report to Legislature	Estimated Spring 2025
Submit a SPA for Federal Authority	Estimated Spring 2025



SB 330 (2024): Funding for GME *Sections 9, 10, and 11*

Behavioral Health Teaching Hospitals (BHTHs)

- Appropriated funding for behavioral health residency slots in BHTH facilities and appropriates TEACH funding for BHTH facilities
- Directed the Agency to designate the following four hospitals as BHTHs:
 - Tampa General Hospital (affiliation with the University of South Florida)
 - UF Health Shands Hospital (affiliation with the University of Florida)
 - UF Health Jacksonville (affiliation with the University of Florida)
 - Jackson Memorial Hospital (affiliation with the University of Miami)



SB 330 (2024): Funding for GME Sections 9, 10, and 11- Behavioral Health Teaching Hospitals

Implementation Steps [Medicaid]	Status
Submitted SPA for Federal Authority for the new BHTH 'Slots for Doctors' funding	Completed - June 2024
Created application for the BHTH 'Slots for Doctors' program and dispersed to the four BHTHs	Completed - July 2024
Received Slots for Doctors applications and Posted 'Slots for Doctors' Distribution Model	Completed - November 2024
Pay 'Slots for Doctors' Quarters 1 and 2	Completed - January 2025
Pay Slots for Doctors Quarter 3 and submit Slots for Doctors report to Legislature and Executive Office of the Governor	Estimated Spring 2025
Pay Slots for Doctors Quarter 4	Estimated Summer 2025



Implementation Steps [Health Quality Assurance]	Status
The designation of behavioral health teaching hospital has been conveyed to the four hospitals identified in the statute	Completed - April 2024
System changes to create a new designation for behavioral health teaching hospitals	Completed - October 2024
BHTH Grant Application posted	Completed - November 2024



- On or after July 1, 2025, hospitals must apply for the designation on a licensure application
- Designated hospitals must reapply every two years at time of license renewal.
- The criteria includes:
 - Designation as a teaching hospital per s. 408.07, F.S.;
 - Offer an accredited residency program in psychiatry or a fellowship program in clinical psychiatry;
 - Provide behavioral health services;
 - Affiliation with a Florida medical school listed under s. 458.3145, F.S.
 - Develop a plan to create and maintain integrated workforce development programs.



- Requires the agency to establish a grant program for BHTHs
- Requires submission of a grant application, supporting documents and a detailed spending plan
- Grant program funding may be used for:
 - Operations
 - o Expenses
 - Fixed Capital outlay including but not limited to, facility renovation and upgrades.
- \$300 Million Appropriated for the program
 - 2024-2025 may not exceed \$100 million
 - o 2025-2026 may not exceed \$100 million
 - 2026-2027 may not exceed \$100 million



Ongoing:

- Amending Rules:
 - 59A-35.060, F.A.C. pertaining to the License Application Process to update the hospital licensure application
 - 59A-3.066, F.A.C. outlines license procedures for hospitals
 - 59A-3.273, F.A.C. which details management and administration duties as it relates to hospitals
- Meeting with the Department of Children and Families (DCF) regarding oversight of the BHTH grant program



SB 7016 (2024): New Coverage

- Mobile Crisis Response Services
- Acute Hospital Care at Home Program
- Advanced Birth Centers
- Nonemergent Care Access Plan (NCAP)



SB 7016 (2024): New Coverage *Sections 14 and 24*

Mobile Crisis Response Services

- Directed the Agency to seek federal approval for coverage and reimbursement authority for mobile crisis response services
- The bill also directed the Department of Children and Families (DCF) to coordinate with the Agency to provide education to providers of child, adolescent, and young adult mobile response team services on the process to enroll as Medicaid providers



SB 7016 (2024): New Coverage Sections 14 and 24– Mobile Crisis Response Services

Implementation Steps	Status
 Identified non-Medicaid DCF-Funded Mobile Response Teams and collaborate with DCF on provider outreach To assist with Medicaid provider enrollment 	Completed - August 2024
Amend Managed Care Contracts to Add Service	Estimated Spring 2025
Submit State Plan Amendment (SPA) for Federal Authority	Estimated Spring 2025
Post Updated Fee ScheduleTo allow providers to bill for this service	Estimated Summer 2025
Completed System Updates	Estimated Summer 2025
Update Fee Schedule and Behavioral Health Coverage Policy via Rule Promulgation	Estimated Summer 2025
CMS Approval of SPA	Estimated Summer 2025



SB 7016 (2024): New Coverage *Section 32*

Acute Hospital Care at Home

 Directed the Agency to seek federal approval necessary to implement an acute hospital care at home program in the state Medicaid program consistent with the Medicare Hospital at Home waiver program

Implementation Steps	Status
 Issued Provider and Stakeholder Communication Emailed alert to providers regarding the implementation of the new program and reimbursement 	Completed - November 2024
Held public meeting for the update to the Inpatient Hospital ServiceCoverage PolicyTo update the policy to include the new covered services	Completed – December 2024
Completion of Inpatient Hospital Service Coverage Policy via Rule Promulgation	Estimated Spring 2025



SB 7016 (2024): New Coverage *Sections 7, 8 and 87*

Advanced Birth Centers (ABC)

- It amends multiple sections of the Florida statutes related to birth center licensure to create ABC
- Establishes an optional level of service for a licensed birth center to accept clients currently excluded due to medical conditions and other factors such that the client's pregnancy is no longer low risk



SB 7016 (2024): New Coverage *Section 26*

Nonemergent Care Access Plan (NCAP)

- Requires all hospitals with emergency departments (EDs), including off-campus EDs, to submit a Nonemergent Care Access Plan (NCAP) to the Agency
- The plan must assist patients with nonemergent health care needs or those lacking regular access to primary care in accessing appropriate care settings
- The Agency must approve NCAP before Initial licensure or licensure renewal starting July 1, 2025



SB 7016 (2024): New Coverage *Section 26*

Nonemergent Care Access Plan (NCAP)

- The Nonemergent Care Access Plan (NCAP) must include:
 - Procedures that ensure the actions will not conflict with s.
 395.1041, F.S., (emergency access to care) or 42 U.S.C., s. 1395dd (Emergency Medical Treatment and Labor Act)
 - Procedures to educate patients on the appropriate setting for their healthcare needs
 - Be capable of providing services directly or by contract to meet the patient's needs such as an urgent care center or primary care office (which may be Medicare certified as a federally qualified health center)



SB 7016 (2024): New Coverage *Sections 7, 8 and 87 (ABC) / Section 26*

Advanced Birth Centers [ABC]	Status
Conducted discussion sessions with the industry to gather input regarding Advanced Birth Centers	Completed – May to July 2024
Changes to the licensure database and online licensing for advanced birth centers have been implemented	Completed – October 2024
Amending Chapter 59A-11 to reflect standards for patient safety for Advanced Birth Centers	Ongoing
Nonemergent Care Access Plan [NCAP]	Status
Nonemergent Care Access Plan [NCAP] Conducted discussion sessions with the industry to gather input regarding NCAPs	Status Completed – May to July 2024
Conducted discussion sessions with the industry to	



Other Implementation Updates

- SB 644: Rural Emergency Hospitals
- SB 7016 (2024): Legislatively Required Reports



SB 644: Rural Emergency Hospitals

- Directed the Agency to create a new hospital license classification in response to the Centers for Medicare and Medicaid Services (CMS) new Medicare certification option referred to as Rural Emergency Hospitals
- This bill authorizes the Agency to designate qualifying hospitals as rural emergency hospitals. The agency will license these facilities and ensure they meet the established criteria
- This allows hospitals in rural communities to provide emergency and outpatient services for a higher rate of reimbursement without having to meet the current requirements of a full-service hospital



SB 644: Rural Emergency Hospitals

- Allows hospitals to participate in the Medicare program as a REH
- REHs will provide rural emergency services and other care that do not require treatment beyond 24 hours
- The agency may designate a hospital as a rural emergency hospital if it demonstrates that it meets the following criteria:
 - Meets the requirements of the Consolidated Appropriations Act of 2021, Pub. L. No. 116-260
 - $\circ~$ Has no more than 50 beds
 - Can adequately provide rural emergency services in the facility 24 hours a day and seven days a week
 - Is sufficiently staffed and equipped to provide rural emergency services
 - Has a current transfer agreement with a Level I or Level II trauma



SB 644: Rural Emergency Hospitals

Implementation Steps	Status
59A-3.252, F.A.C., Classification of Hospitals to include a new designation titled Rural Emergency Hospital (REH)	
Workshop conducted	November 2024
59A-35.060, F.A.C. pertaining to the License Application Process to update the hospital licensure application.	Ongoing
Survey guidelines will be updated to incorporate the amended rule	Ongoing
The Medicaid program will update rules (if necessary) pending the outcome of the licensure rule updates for the Rural Emergency Hospital designation.	Pending



- Advanced Birth Center Services Reimbursement Methodology
- Analysis of Potentially Preventable Health Care Events
- Graduate Medical Education (GME) Committee Report
- TEACH Program Report



Advanced Birth Center Services Methodology

 Directed the Agency to contract with a vendor to develop a reimbursement methodology for covered services at advanced birth centers and submit the reimbursement methodology and estimated fiscal impact to the Executive Office of the Governor's Office of Policy and Budget, the chair of the Senate Appropriations Committee, and the chair of the House Appropriations Committee

Implementation Steps	Status
Submitted the Reimbursement Methodology Report and Estimated Fiscal Impact	Completed – January 2025



Analysis of Potentially Preventable Health Care Events for Medicaid Enrollees

• Directed the Agency to annually produce a report on the potentially preventable hospital events that occurred during the previous state fiscal year which may have been prevented

Implementation Steps	Status
Submitted Report to the Governor, the President of the Senate, and the Speaker of the House of Representatives	Completed – October 2024



Graduate Medical Education (GME) Committee Report

• The GME committee is to submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives that includes specific information about the residents and funding of GME

Implementation Steps	Status
Submit Report	Due July 1, 2025



Training, Education, and Clinicals in Health (TEACH) Funding Program Report

• The Agency must submit an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives detailing the effects of the program for the prior fiscal year regarding the students and program participants

Implementation Steps	Status
Submit report	Due December 1, 2025



THANK YOU





@AHCAFLORIDA

FLORIDA AGENCY OF HEALTH CARE ADMINISTRATION

FLORIDA AGENCY OF HEALTH CARE ADMINISTRATION

ALL CARE ADMINISTRATION