



RON DESANTIS  
GOVERNOR

SHEVAUN L. HARRIS  
ACTING SECRETARY

November 5, 2020

## Statewide Medicaid Managed Care (SMMC) Policy Transmittal: 2020-57

Applicable to the **2018-2023 SMMC contract benefits** for:

- Managed Medical Assistance (MMA) and MMA Specialty
- Long-Term Care (LTC)
- Dental

### Re: Implementation of the Private Duty Nursing (PDN) Incentive Payment and Ad Hoc Quarterly PDN Report

During the 2020 Legislative Session, the Florida Legislature directed the Agency to withhold and set aside a portion of the managed care rates from the rate cells for special needs and home health services in the MMA and LTC programs to implement a home health performance incentive program [Specific Appropriations 215 and 226 of the 2020-2021 General Appropriations Act (HB 5003), which added subsection (6) to section 409.968, Florida Statutes]. The purpose of this policy transmittal is to inform the managed care plan how the Agency is implementing the required home health incentive payment and notify the managed care plan of an ad hoc quarterly report.

#### **Home Health Withhold Payment**

The managed care plan must participate in and comply with the home health withhold arrangement, to ensure the delivery of medically necessary, authorized home health services to eligible enrollees. For Rate Year (RY) 2020/2021, the amount of the withhold is determined by a small withhold amount applied to the private duty nursing (PDN) rate cell capitation rate. Subsequent years must be subject to Legislative approval. The managed care plan may earn up to one hundred percent (100%) of the amount of their withhold based on the level of PDN utilization achieved, as defined by the Agency.

Based on authorization and utilization data provided by the managed care plan, in response to policy transmittal 2020-42, the Agency worked with its contracted actuaries to develop a withhold and disbursement methodology for the PDN incentive payment. The amount of the withhold for RY 2020/2021 is 1.0% of the PDN rate cell capitation rate<sup>1</sup>. The Agency calculates the PDN plan percentage by taking the number of PDN hours received, divided by the number of PDN hours authorized. The PDN plan percentage will be used in the disbursement calculation for the PDN incentive payment. The disbursement of the PDN incentive payment will be based on dates of service on or after October 1, 2020, through September 30, 2021. The managed care plan may earn back up to 100% of the amount of their withhold, on a sliding scale. Additional information is available in the Agency's "Home Health Withhold and Disbursement Methodology" that is attached to this policy transmittal.

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<sup>1</sup> Excluding the administrative allowance for the Child with Special Health Care Needs Specialty plan.



**Quarterly PDN Report**

The managed care plan may be required to provide the Agency or its agents information or data relative to this contract. In such instances, and at the direction of the Agency, the managed care plan must fully cooperate with such requests and furnish all data or information in a timely manner, in the format in which it is requested. The managed care plan must have at least thirty (30) days to fulfill such ad hoc requests, unless the Agency directs the managed care plan to provide data or information in less than thirty (30) days. The managed care plan must certify that data and information it submits to the Agency is accurate, truthful, and complete in accordance with 42 CFR 438.606. (Attachment II, Section XVI.A.1.b.) The managed care plan must use the template attached to this policy transmittal to submit an Ad Hoc Quarterly PDN Report to the Agency. The managed care plan must submit this report 90 days after the end of each quarter, based on the Rate Year. The first report must include dates of service October 1, 2020 through December 31, 2020 and must be submitted to the Agency by close of business on March 31, 2021.

The managed care plan must submit the Ad Hoc Quarterly PDN Report to the Agency's SMMC\_CY18-23 secure file transfer protocol site, Port 4443, within the managed care plan's designated folder path, in the AdHoc/2020 folder. The managed care plan must use the file naming convention "XXXAdHocQuarterlyPDNReport", where XXX is the plan's three-digit identifier

**Proposal Requirements**

The managed care plan must submit a proposal that ensures the provision of all covered and authorized PDN and the development of methods to measure provider compliance.

At a minimum, the proposal must address the following components:

- The description of the managed care plan's PDN monitoring strategy, including all methods the managed care plan will utilize to ensure the provisions of authorized PDN services. If financial rewards are a component of the PDN monitoring strategy, the managed care plan must also address financial inducements for high-performing PDN home health agencies.
- Methods for measuring provider compliance with the provision of PDN services. The PDN monitoring strategy must document how the managed care plan proposes to track this information internally and the PDN performance indicators used to determine compliance.

**Proposal Submission**

The managed care plan must submit its proposal to the Agency's SMMC\_CY18-23 secure file transfer protocol site, Port 4443, within the managed care plan's designated folder path, in the AdHoc/2020 folder. The managed care plan must use the file naming convention "XXXPDNIncentiveProposal", where XXX is the plan's three-digit identifier and submit this proposal to the Agency by close of business on December 5, 2020.

For technical assistance questions, contact the Actuarial Services Unit by email at [MDA\\_ACTUARIAL@ahca.myflorida.com](mailto:MDA_ACTUARIAL@ahca.myflorida.com). For other questions or concerns, please contact your Agency contract manager at (850) 412-4004.

Statewide Medicaid Managed Care (SMMC) Policy Transmittal 2020-57  
Re: Private Duty Nursing Incentive Implementation and Ad Hoc Quarterly Private Duty Nursing  
Report  
November 5, 2020  
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Sincerely,

A handwritten signature in black ink, appearing to read "Beth Kidder". The signature is fluid and cursive, with a large initial "B" and "K".

Beth Kidder  
Deputy Secretary for Medicaid

BK/sar

Attachment 1: Home Health Withhold and Disbursement Methodology

Attachment 2: Ad Hoc Quarterly PDN Report Template