

		COL A10	
		SCH VIIIIB-2	
		RED FY24-25	
	POS	AMOUNT	CODES
-----			
AGENCY/HEALTH CARE ADMIN			68000000
PGM: HEALTH CARE SERVICES			68500000
<u>MEDICAID SERV/INDIVIDUALS</u>			68501400
HEALTH AND HUMAN SERVICES			13
<u>HEALTH SVCS/INDIVIDUALS</u>			<u>1301.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
1115 MEDS-AD WAIVER ELIMINATION			33V0180
SPECIAL CATEGORIES			100000
CASE MANAGEMENT			100311
GENERAL REVENUE FUND	-MATCH	222-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	306-	2474 3
TOTAL APPRO.....		528-	
=====			
HOSPITAL INPATIENT SERVICE			101582
GENERAL REVENUE FUND	-MATCH	6,341,847-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	8,743,422-	2474 3
TOTAL APPRO.....		15,085,269-	
=====			
HOSPITAL INSURANCE BENEFIT			101589
GENERAL REVENUE FUND	-MATCH	5,207-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	7,179-	2474 3
TOTAL APPRO.....		12,386-	
=====			
HOSPITAL OUTPATIENT SVCS			101596
GENERAL REVENUE FUND	-MATCH	724-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	998,345-	2474 3
TOTAL APPRO.....		999,069-	
=====			
OTHER FEE FOR SERVICE			102325
GENERAL REVENUE FUND	-MATCH	4,025,524-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	5,549,938-	2474 3
TOTAL APPRO.....		9,575,462-	
=====			

		COL A10	
		SCH VIIIIB-2	
		RED FY24-25	
	POS	AMOUNT	CODES
-----			
AGENCY/HEALTH CARE ADMIN			68000000
PGM: HEALTH CARE SERVICES			68500000
<u>MEDICAID SERV/INDIVIDUALS</u>			68501400
HEALTH AND HUMAN SERVICES			13
<u>HEALTH SVCS/INDIVIDUALS</u>			<u>1301.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
1115 MEDS-AD WAIVER ELIMINATION			33V0180
SPECIAL CATEGORIES			100000
PHYSICIAN/HCP SVCS			102542
GENERAL REVENUE FUND	-MATCH	1,152,220-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	1,588,551-	2474 3
		-----	
TOTAL APPRO.....		2,740,771-	
		=====	
PREPAID HEALTH PLANS			102673
GENERAL REVENUE FUND	-MATCH	229,830,658-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	316,864,532-	2474 3
		-----	
TOTAL APPRO.....		546,695,190-	
		=====	
PRESCRIBED MEDICINE/DRUGS			102681
GENERAL REVENUE FUND	-MATCH	728,341-	1000 2
		=====	
GRANTS AND DONATIONS TF	-MATCH	1,718,010-	2339 2
	-FEDERL	2,368,598-	2339 3
		-----	
TOTAL GRANTS AND DONATIONS TF		4,086,608-	2339
		=====	
MEDICAL CARE TRUST FUND	-MATCH	631,531-	2474 2
		=====	
TOTAL APPRO.....		5,446,480-	
		=====	
TOTAL: 1115 MEDS-AD WAIVER ELIMINATION			33V0180
TOTAL ISSUE.....		580,555,155-	
		=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 24-25 NARRATIVE: IT COMPONENT? NO  
 ISSUE TITLE: 1115 MEDS-AD Waiver Elimination  
 PRIORITY #3

COL A10 SCH VIIIIB-2 RED FY24-25 POS AMOUNT	CODES
AGENCY/HEALTH CARE ADMIN	68000000
PGM: HEALTH CARE SERVICES	68500000
<u>MEDICAID SERV/INDIVIDUALS</u>	68501400
HEALTH AND HUMAN SERVICES	13
<u>HEALTH SVCS/INDIVIDUALS</u>	<u>1301.00.00.00</u>
PROGRAM REDUCTIONS	33V0000
1115 MEDS-AD WAIVER ELIMINATION	33V0180

Article III, section 19 of the Florida Constitution, requires departments and agencies to provide a "...prioritized listing of planned expenditures for review and possible reduction in the event of revenue shortfalls." This issue is being submitted to comply with this requirement and does not represent support or endorsement by the Agency for Health Care Administration (AHCA).

ISSUE SUMMARY: This issue proposes to eliminate the optional eligibility category for MEDS-AD. This would result in a reduction of \$580,555,155, of which \$242,084,743 is General Revenue. This reduction includes rebates, and the reduction amount includes the proportionate federal share. This issue would be effective July 1, 2024.

ISSUE DETAIL: The MEDS-AD waiver program is for people who are at least 65 years old or disabled, with an income up to 88 percent of the Federal Poverty Level (FPL) that is within the State asset limits, without Medicare, or dually eligible for Medicare and Medicaid and meet specific waiver criteria. These individuals are aged, blind, or disabled with incomes above the SSI level but below 88 percent of the FPL. Many of the individuals in this optional eligibility group do not otherwise qualify for Medicaid. This optional eligibility group is projected to have 92,093 recipients who would use these services in SFY 2024-25.

Medicaid would continue to pay Medicare crossover payments for the dually eligible individuals (both Medicare and Medicaid). The estimate would be reduced if any individuals in this category remain eligible for Medicaid services by transferring to the SSI eligibility category. The remaining individuals who would be affected due to the elimination of the optional eligibility group would be those who do not have Medicare coverage and who do not reside in a long-term care facility or participate in the Statewide Medicaid Managed Care Long-Term Care waiver program.

An amendment to the 1115 managed care waiver, a Medicaid Rule amendment, an amendment of section 409.904 (1), Florida Statutes, and legislative budget authority are needed to achieve this reduction.

BUDGET SUMMARY: The budgetary breakout for this reduction is as follows:

	RECURRING FY 2024-25	NON-RECURRING FY 2024-25	TOTAL FY 2024-25	ANNUALIZATION FY 2025-2026
Medicaid Services to Individuals (68501400)				
Case Management (100311)				
General Revenue (1000 - 2)	(\$222)	\$0	(\$222)	\$0
Medical Trust Fund (2474 - 3)	(\$306)	\$0	(\$306)	\$0
Total	(\$528)	\$0	(\$528)	\$0
Hospital Inpatient Service (101582)				
General Revenue (1000 - 2)	(\$6,341,847)	\$0	(\$6,341,847)	\$0
Medical Trust Fund (2474 - 3)	(\$8,743,422)	\$0	(\$8,743,422)	\$0

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	COL A10			
	SCH VIIIIB-2			
	RED FY24-25			
	POS	AMOUNT		CODES
-----				
AGENCY/HEALTH CARE ADMIN				68000000
PGM: HEALTH CARE SERVICES				68500000
<u>MEDICAID SERV/INDIVIDUALS</u>				68501400
HEALTH AND HUMAN SERVICES				13
<u>HEALTH SVCS/INDIVIDUALS</u>				<u>1301.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
1115 MEDS-AD WAIVER ELIMINATION				33V0180
Total	(\$15,085,269)	\$0	(\$15,085,269)	\$0
Hospital Insurance Benefit (101589)				
General Revenue (1000 - 2)	(\$5,207)	\$0	(\$5,207)	\$0
Medical Trust Fund (2474 - 3)	(\$7,179)	\$0	(\$7,179)	\$0
Total	(\$12,386)	\$0	(\$12,386)	\$0
Hospital Outpatient Service (101596)				
General Revenue (1000 - 2)	(\$724,127)	\$0	(\$724,127)	\$0
Medical Trust Fund (2474 - 3)	(\$998,345)	\$0	(\$998,345)	\$0
Total	(\$1,722,472)	\$0	(\$1,722,472)	\$0
Other Fee for Service (102325)				
General Revenue (1000 - 2)	(\$4,025,524)	\$0	(\$4,025,524)	\$0
Medical Trust Fund (2474 - 3)	(\$5,549,938)	\$0	(\$5,549,938)	\$0
Total	(\$9,575,462)	\$0	(\$9,575,462)	\$0
Physician & Health Care Practitioner Services (102542)				
General Revenue (1000 - 2)	(\$1,152,220)	\$0	(\$1,152,220)	\$0
Medical Trust Fund (2474 - 3)	(\$1,588,551)	\$0	(\$1,588,551)	\$0
Total	(\$2,740,771)	\$0	(\$2,740,771)	\$0
Prepaid Health Plans (102673)				
General Revenue (1000 - 2)	(\$229,830,658)	\$0	(\$229,830,658)	\$0
Medical Trust Fund (2474 - 3)	(\$316,864,532)	\$0	(\$316,864,532)	\$0
Total	(\$546,695,190)	\$0	(\$546,695,190)	\$0
Prescribed Medicine/Drugs (102681)				
General Revenue (1000 - 2)	(\$728,341)	\$0	(\$728,341)	\$0
Grants and Donations (2339 - 2)	(\$1,718,010)	\$0	(\$1,718,010)	\$0
Grants and Donations (2339 - 3)	(\$2,368,598)	\$0	(\$2,368,598)	\$0
Medical Trust Fund (2474 - 3)	(\$631,531)	\$0	(\$631,531)	\$0
Total	(\$5,446,480)	\$0	(\$5,446,480)	\$0
Issue Total	(\$580,555,155)	\$0	(\$580,555,155)	\$0

SOURCE OF FUNDS:

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 COL A10  
 SCH VIIIIB-2  
 RED FY24-25  
 POS AMOUNT CODES  
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AGENCY/HEALTH CARE ADMIN		68000000
PGM: HEALTH CARE SERVICES		68500000
<u>MEDICAID SERV/INDIVIDUALS</u>		68501400
HEALTH AND HUMAN SERVICES		13
<u>HEALTH SVCS/INDIVIDUALS</u>		<u>1301.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
1115 MEDS-AD WAIVER ELIMINATION		33V0180

General Revenue (State 41.77%)  
 Grants and Donations (State 0.30%)  
 Grants and Donations (Federal 0.41%)  
 Medical Care Trust Fund (Federal 57.53%)

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ELIMINATE 19 AND 20 YEAR-OLD OPTIONAL CHILD ELIGIBILITY GROUP		33V0500
SPECIAL CATEGORIES		100000
CASE MANAGEMENT		100311

GENERAL REVENUE FUND	-MATCH	44,473-	1000	2
MEDICAL CARE TRUST FUND	-FEDERL	61,314-	2474	3
TOTAL APPRO.....		105,787-		
		=====		

COMMUNITY MENTAL HEALTH SV 100616

GENERAL REVENUE FUND	-MATCH	720,725-	1000	2
MEDICAL CARE TRUST FUND	-FEDERL	993,654-	2474	3
TOTAL APPRO.....		1,714,379-		
		=====		

DEVEL EVAL & INTERV/PART C 100919

GENERAL REVENUE FUND	-MATCH	1,237-	1000	2
MEDICAL CARE TRUST FUND	-FEDERL	1,705-	2474	3
TOTAL APPRO.....		2,942-		
		=====		

HOSPITAL INPATIENT SERVICE 101582

GENERAL REVENUE FUND	-MATCH	10,250,102-	1000	2
MEDICAL CARE TRUST FUND	-FEDERL	14,131,683-	2474	3
		-----		

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COL A10		
SCH VIIIIB-2		
RED FY24-25		
POS	AMOUNT	CODES
-----		
AGENCY/HEALTH CARE ADMIN		68000000
PGM: HEALTH CARE SERVICES		68500000
<u>MEDICAID SERV/INDIVIDUALS</u>		68501400
HEALTH AND HUMAN SERVICES		13
<u>HEALTH SVCS/INDIVIDUALS</u>		<u>1301.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE 19 AND 20 YEAR-OLD		
OPTIONAL CHILD ELIGIBILITY GROUP		33V0500
SPECIAL CATEGORIES		100000
HOSPITAL INPATIENT SERVICE		101582
TOTAL APPRO.....	24,381,785-	
	=====	
HOSPITAL INSURANCE BENEFIT		101589
GENERAL REVENUE FUND -MATCH	2,770-	1000 2
MEDICAL CARE TRUST FUND -FEDERL	3,819-	2474 3
	-----	
TOTAL APPRO.....	6,589-	
	=====	
HOSPITAL OUTPATIENT SVCS		101596
GENERAL REVENUE FUND -MATCH	8,908,375-	1000 2
MEDICAL CARE TRUST FUND -FEDERL	12,281,860-	2474 3
	-----	
TOTAL APPRO.....	21,190,235-	
	=====	
OTHER FEE FOR SERVICE		102325
GENERAL REVENUE FUND -MATCH	4,545,991-	1000 2
MEDICAL CARE TRUST FUND -FEDERL	6,267,498-	2474 3
	-----	
TOTAL APPRO.....	10,813,489-	
	=====	
PERSONAL CARE SERVICES		102538
GENERAL REVENUE FUND -MATCH	148,055-	1000 2
MEDICAL CARE TRUST FUND -FEDERL	204,121-	2474 3
	-----	
TOTAL APPRO.....	352,176-	
	=====	

		COL A10	
		SCH VIIIIB-2	
		RED FY24-25	
POS	AMOUNT		CODES
-----			
AGENCY/HEALTH CARE ADMIN			68000000
PGM: HEALTH CARE SERVICES			68500000
<u>MEDICAID SERV/INDIVIDUALS</u>			68501400
HEALTH AND HUMAN SERVICES			13
<u>HEALTH SVCS/INDIVIDUALS</u>			<u>1301.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE 19 AND 20 YEAR-OLD			
OPTIONAL CHILD ELIGIBILITY GROUP			33V0500
SPECIAL CATEGORIES			100000
PHYSICIAN/HCP SVCS			102542
GENERAL REVENUE FUND	-MATCH	10,534,518-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	14,523,802-	2474 3
		-----	
TOTAL APPRO.....		25,058,320-	
		=====	
PREPAID HEALTH PLANS			102673
GENERAL REVENUE FUND	-MATCH	1,942,071-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	2,677,508-	2474 3
		-----	
TOTAL APPRO.....		4,619,579-	
		=====	
PRESCRIBED MEDICINE/DRUGS			102681
GENERAL REVENUE FUND	-MATCH	6,278,819-	1000 2
		=====	
GRANTS AND DONATIONS TF	-MATCH	14,810,473-	2339 2
	-FEDERL	20,419,006-	2339 3
		-----	
TOTAL GRANTS AND DONATIONS TF		35,229,479-	2339
		=====	
MEDICAL CARE TRUST FUND	-FEDERL	5,444,248-	2474 3
		-----	
TOTAL APPRO.....		46,952,546-	
		=====	
TOTAL: ELIMINATE 19 AND 20 YEAR-OLD			33V0500
OPTIONAL CHILD ELIGIBILITY GROUP			
TOTAL ISSUE.....		135,197,827-	
		=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 24-25 NARRATIVE: IT COMPONENT? NO  
 ISSUE TITLE: Eliminate Medicaid 19 and 20 Year-Old Optional Child Eligibility Group  
 PRIORITY #2

-----		COL A10	
		SCH VIIIIB-2	
		RED FY24-25	
POS	AMOUNT		CODES
-----			
AGENCY/HEALTH CARE ADMIN			68000000
PGM: HEALTH CARE SERVICES			68500000
<u>MEDICAID SERV/INDIVIDUALS</u>			68501400
HEALTH AND HUMAN SERVICES			13
<u>HEALTH SVCS/INDIVIDUALS</u>			<u>1301.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE 19 AND 20 YEAR-OLD			
OPTIONAL CHILD ELIGIBILITY GROUP			33V0500

Article III, section 19 of the Florida Constitution, requires departments and agencies to provide a "...prioritized listing of planned expenditures for review and possible reduction in the event of revenue shortfalls." This issue is being submitted to comply with this requirement and does not represent support or endorsement by the Agency for Health Care Administration (AHCA).

ISSUE SUMMARY: This issue proposes to eliminate the optional coverage for children aged 19 and 20. Floridians aged 19 and 20 would remain eligible in other categories (such as parent, pregnant woman, disabled, former foster care) if they met the technical requirement for those categories. This would result in a reduction of \$135,214,308, of which \$43,384,064 is General Revenue. The estimate would be reduced if any individuals in this category converted to other eligibility categories. This reduction includes rebates and the proportionate federal share. This issue would be effective July 1, 2024.

ISSUE DETAIL: Federal Medicaid regulations require state Medicaid programs to cover certain groups, while other groups are optional, and states can choose whether to cover each optional group. Florida Medicaid currently includes coverage of the optional eligible group known as 19- and 20-year-olds. Medicaid may be provided to individuals who are 19 and 20 years old who are unmarried or whose marriage was annulled. The 19 and 20-year-old population is an optional group and therefore Florida is not required to cover this group. This would mean that individuals ages 19 and 20 would continue to qualify for Medicaid coverage if they met the eligibility requirements for adults, which varies by category (e.g., 18% of federal poverty level (FPL) for parents and caregivers, 185% of FPL for pregnant women). The estimated number of recipients who would use these services in SFY 2024-2025 is 218,272.

A State Plan amendment, an amendment of section 409.903(3), Florida Statutes, and legislative budget authority are needed to achieve this reduction.

FISCAL IMPACT: The budgetary breakout for this reduction is as follows:

	RECURRING FY 2024-25	NON-RECURRING FY 2024-25	TOTAL FY 2024-25	ANNUALIZATION FY 2025-2026
Medicaid Services to Individuals (68501400)				
Case Management (100311)				
General Revenue (1000 - 2)	(\$44,473)	\$0	(\$44,473)	\$0
Medical Trust Fund (2474 - 3)	(\$61,314)	\$0	(\$61,314)	\$0
Total	(\$105,787)	\$0	(\$105,787)	\$0
Community Health Services (100616)				



COL A10  
 SCH VIIIIB-2  
 RED FY24-25  
 POS AMOUNT

CODES

AGENCY/HEALTH CARE ADMIN  
 PGM: HEALTH CARE SERVICES  
MEDICAID SERV/INDIVIDUALS  
 HEALTH AND HUMAN SERVICES  
HEALTH SVCS/INDIVIDUALS

68000000  
 68500000  
 68501400  
 13  
1301.00.00.00

PROGRAM REDUCTIONS  
 ELIMINATE 19 AND 20 YEAR-OLD  
 OPTIONAL CHILD ELIGIBILITY GROUP

33V0000  
 33V0500

General Revenue (1000 - 2)	(\$720,725)	\$0	(\$720,725)	\$0
Medical Trust Fund (2474 - 3)	(\$993,654)	\$0	(\$993,654)	\$0
Total	(\$1,714,379)	\$0	(\$1,714,379)	\$0

Devel Eval & Interv/Part C (100919)				
General Revenue (1000 - 2)	(\$1,237)	\$0	(\$1,237)	\$0
Medical Trust Fund (2474 - 3)	(\$1,705)	\$0	(\$1,705)	\$0
Total	(\$2,942)	\$0	(\$2,942)	\$0

Hospital Inpatient Service (101582)				
General Revenue (1000 - 2)	(\$10,250,102)	\$0	(\$10,250,102)	\$0
Medical Trust Fund (2474 - 3)	(\$14,131,683)	\$0	(\$14,131,683)	\$0
Total	(\$24,381,785)	\$0	(\$24,381,785)	\$0

Hospital Insurance Benefit (101589)				
General Revenue (1000 - 2)	(\$2,770)	\$0	(\$2,770)	\$0
Medical Trust Fund (2474 - 3)	(\$3,819)	\$0	(\$3,819)	\$0
Total	(\$6,589)	\$0	(\$6,589)	\$0

Hospital Outpatient Services (101596)				
General Revenue (1000 - 2)	(\$8,908,375)	\$0	(\$8,908,375)	\$0
Medical Trust Fund (2474 - 3)	(\$12,281,860)	\$0	(\$12,281,860)	\$0
Total	(\$21,190,235)	\$0	(\$21,190,235)	\$0

Other Fee for Service (102325)				
General Revenue (1000 - 2)	(\$4,545,991)	\$0	(\$4,545,991)	\$0
Medical Trust Fund (2474 - 3)	(\$6,267,498)	\$0	(\$6,267,498)	\$0
Total	(\$10,813,489)	\$0	(\$10,813,489)	\$0

Personal Care Services (102538)				
General Revenue (1000 - 2)	(\$148,055)	\$0	(\$148,055)	\$0
Medical Trust Fund (2474 - 3)	(\$204,121)	\$0	(\$204,121)	\$0
Total	(\$352,176)	\$0	(\$352,176)	\$0

Physician & Health Care Practitioner Services (102542)				
General Revenue (1000 - 2)	(\$10,534,518)	\$0	(\$10,534,518)	\$0
Medical Trust Fund (2474 - 3)	(\$14,523,802)	\$0	(\$14,523,802)	\$0
Total	(\$25,058,320)	\$0	(\$25,058,320)	\$0

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 COL A10  
 SCH VIIIIB-2  
 RED FY24-25  
 POS AMOUNT  
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CODES

AGENCY/HEALTH CARE ADMIN  
 PGM: HEALTH CARE SERVICES  
MEDICAID SERV/INDIVIDUALS  
 HEALTH AND HUMAN SERVICES  
HEALTH SVCS/INDIVIDUALS  
 PROGRAM REDUCTIONS  
 ELIMINATE 19 AND 20 YEAR-OLD  
 OPTIONAL CHILD ELIGIBILITY GROUP

68000000  
 68500000  
 68501400  
 13  
1301.00.00.00  
 33V0000  
 33V0500

Prepaid Health Plans (102673)				
General Revenue (1000 - 2)	(\$1,942,071)	\$0	(\$1,942,071)	(\$799,662)
Medical Trust Fund (2474 - 3)	(\$2,677,508)	\$0	(\$2,677,508)	(1,080,126)
Total	(\$4,619,579)	\$0	(\$4,619,579)	(\$1,879,788)

Prescribed Medicine/Drugs (102681)				
General Revenue (1000 - 2)	(\$6,278,819)	\$0	(\$6,278,819)	\$0
Grants and Donations (2339 - 2)	(\$14,810,473)	\$0	(\$14,810,473)	\$0
Grants and Donations (2339 - 3)	(\$20,419,006)	\$0	(\$20,419,006)	\$0
Medical Trust Fund (2474 - 3)	(\$5,444,248)	\$0	(\$5,444,248)	\$0
Total	(\$46,952,546)	\$0	(\$46,952,546)	\$0

Medicaid Long Term Care (68501500)				
Assistive Care Services (100602)				
General Revenue (1000 - 2)	(\$417)	\$0	(\$417)	\$0
Medical Trust Fund (2474 - 3)	(\$575)	\$0	(\$575)	\$0
Total	(\$992)	\$0	(\$992)	\$0

Nursing Home Care (102233)				
General Revenue (1000 - 2)	(\$6,512)	\$0	(\$6,512)	\$0
Medical Trust Fund (2474 - 3)	(\$8,978)	\$0	(\$8,978)	\$0
Total	(\$15,489)	\$0	(\$15,489)	\$0

Issue Total	(\$135,214,308)	\$0	(\$135,214,308)	(\$1,879,788)
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SOURCE OF FUNDS:

General Revenue (State 30.41%)  
 Grants and Donations (State 10.38%)  
 Grants and Donations (Federal 14.31%)  
 Medical Care Trust Fund (Federal 39.67%)

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		COL A10	
		SCH VIIIIB-2	
		RED FY24-25	
POS	AMOUNT		CODES
AGENCY/HEALTH CARE ADMIN			68000000
PGM: HEALTH CARE SERVICES			68500000
<u>MEDICAID SERV/INDIVIDUALS</u>			68501400
HEALTH AND HUMAN SERVICES			13
<u>HEALTH SVCS/INDIVIDUALS</u>			<u>1301.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE BEHAVIOR ANALYSIS RATES			33V4280
SPECIAL CATEGORIES			100000
COMMUNITY MENTAL HEALTH SV			100616
GENERAL REVENUE FUND	-MATCH	68,195,100-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	94,019,695-	2474 3
TOTAL APPRO.....		162,214,795-	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 24-25 NARRATIVE: IT COMPONENT? NO  
 ISSUE TITLE: Reduce Behavior Analysis Rates  
 PRIORITY #1

Article III, section 19 of the Florida Constitution, requires departments and agencies to provide a "...prioritized listing of planned expenditures for review and possible reduction in the event of revenue shortfalls." This issue is being submitted to comply with this requirement and does not represent support or endorsement by the Agency for Health Care Administration (AHCA).

ISSUE SUMMARY: This issue proposes to reduce Medicaid Behavior Analysis (BA) service rates by 10%. This would not impact BA rates reimbursed through the Budget waiver. This would have an impact of \$162,214,795, of which \$68,195,100 is General Revenue. This reduction amount includes the proportionate federal share. This issue would be effective July 1, 2024. The estimated number of recipients who will use these services in SFY 2024-2025 is as follows: 28,062.

ISSUE DETAIL: BA services are highly structured interventions, strategies, and approaches provided to decrease maladaptive behaviors and increase or reinforce appropriate behaviors. Florida Medicaid covers this service exclusively through the fee-for-service delivery system for recipients under the age of 21 years requiring medically necessary BA services.

Expenditures for this service continue to grow exponentially. On average, the spend is \$133 million for 28,062 children receiving the service per month.

This issue proposes to reduce reimbursement rates by 10% for all state plan BA services, and it would not impact access to these services. Similar services in the Individual Budgeting Waiver would not be changed.

A State Plan amendment and legislative budget authority are needed to achieve reduction.

FISCAL IMPACT: The budgetary breakout for this reduction is as follows:

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 COL A10  
 SCH VIIIIB-2  
 RED FY24-25  
 POS AMOUNT CODES  
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AGENCY/HEALTH CARE ADMIN 68000000  
 PGM: HEALTH CARE SERVICES 68500000  
MEDICAID SERV/INDIVIDUALS 68501400  
 HEALTH AND HUMAN SERVICES 13  
HEALTH SVCS/INDIVIDUALS 1301.00.00.00  
 PROGRAM REDUCTIONS 33V0000  
 REDUCE BEHAVIOR ANALYSIS RATES 33V4280

RECURRING NON-RECURRING TOTAL ANNUALIZATION  
 FY 2024-25 FY 2024-25 FY 2024-25 FY 2025-2026

Medicaid Services to Individuals (68501400)  
 Community Mental Health Services (100616)  
 General Revenue (1000 - 2) (\$68,195,100) \$0 (\$68,195,100) \$0  
 Medical Trust Fund (2474 - 3) (\$94,019,695) \$0 (\$94,019,695) \$0  
 Issue Total (\$162,214,795) \$0 (\$162,214,795) \$0

SOURCE OF FUNDS:  
 General Revenue (State 42.04%)  
 Medical Care Trust Fund (Federal 57.96%)

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ELIMINATE MEDICALLY NEEDY  
 ELIGIBILITY CATEGORY 33V5880  
 SPECIAL CATEGORIES 100000  
 CASE MANAGEMENT 100311

GENERAL REVENUE FUND -MATCH 5,257- 1000 2  
 MEDICAL CARE TRUST FUND -FEDERL 7,247- 2474 3  
 -----  
 TOTAL APPRO..... 12,504-  
 =====

COMMUNITY MENTAL HEALTH SV 100616  
 GENERAL REVENUE FUND -MATCH 159,279- 1000 2  
 MEDICAL CARE TRUST FUND -FEDERL 219,596- 2474 3  
 -----  
 TOTAL APPRO..... 378,875-  
 =====

		COL A10	
		SCH VIIIIB-2	
		RED FY24-25	
	POS	AMOUNT	CODES
-----			
AGENCY/HEALTH CARE ADMIN			68000000
PGM: HEALTH CARE SERVICES			68500000
<u>MEDICAID SERV/INDIVIDUALS</u>			68501400
HEALTH AND HUMAN SERVICES			13
<u>HEALTH SVCS/INDIVIDUALS</u>			<u>1301.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE MEDICALLY NEEDY			
ELIGIBILITY CATEGORY			33V5880
SPECIAL CATEGORIES			100000
DEVEL EVAL & INTERV/PART C			100919
GENERAL REVENUE FUND	-MATCH	9,983-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	13,763-	2474 3
TOTAL APPRO.....		23,746-	
=====			
HOSPITAL INPATIENT SERVICE			101582
GENERAL REVENUE FUND	-MATCH	45,601,742-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	62,870,527-	2474 3
TOTAL APPRO.....		108,472,269-	
=====			
HOSPITAL INSURANCE BENEFIT			101589
GENERAL REVENUE FUND	-MATCH	615,365-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	848,396-	2474 3
TOTAL APPRO.....		1,463,761-	
=====			
HOSPITAL OUTPATIENT SVCS			101596
GENERAL REVENUE FUND	-MATCH	25,535,165-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	35,204,999-	2474 3
TOTAL APPRO.....		60,740,164-	
=====			
OTHER FEE FOR SERVICE			102325
GENERAL REVENUE FUND	-MATCH	21,289,180-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	29,351,114-	2474 3
TOTAL APPRO.....		50,640,294-	
=====			

		COL A10	
		SCH VIIIIB-2	
		RED FY24-25	
	POS	AMOUNT	CODES
-----			
AGENCY/HEALTH CARE ADMIN			68000000
PGM: HEALTH CARE SERVICES			68500000
<u>MEDICAID SERV/INDIVIDUALS</u>			68501400
HEALTH AND HUMAN SERVICES			13
<u>HEALTH SVCS/INDIVIDUALS</u>			<u>1301.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE MEDICALLY NEEDY			
ELIGIBILITY CATEGORY			33V5880
SPECIAL CATEGORIES			100000
PERSONAL CARE SERVICES			102538
GENERAL REVENUE FUND	-MATCH	232,860-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	321,041-	2474 3
TOTAL APPRO.....		553,901-	
=====			
PHYSICIAN/HCP SVCS			102542
GENERAL REVENUE FUND	-MATCH	23,075,546-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	31,813,954-	2474 3
TOTAL APPRO.....		54,889,500-	
=====			
PREPAID HEALTH PLANS			102673
GENERAL REVENUE FUND	-MATCH	3,828,657-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	5,278,519-	2474 3
TOTAL APPRO.....		9,107,176-	
=====			
PRESCRIBED MEDICINE/DRUGS			102681
GENERAL REVENUE FUND	-MATCH	15,319,338-	1000 2
HEALTH CARE TRUST FUND	-MATCH	5,437,666-	2003 2
GRANTS AND DONATIONS TF	-MATCH	36,306,638-	2339 2
	-FEDERL	50,055,489-	2339 3
TOTAL GRANTS AND DONATIONS TF		86,362,127-	2339
MEDICAL CARE TRUST FUND	-FEDERL	9,566,797-	2474 3
TOTAL APPRO.....		116,685,928-	
=====			

		COL A10	
		SCH VIIIIB-2	
		RED FY24-25	
POS	AMOUNT		CODES
-----			
AGENCY/HEALTH CARE ADMIN			68000000
PGM: HEALTH CARE SERVICES			68500000
<u>MEDICAID SERV/INDIVIDUALS</u>			68501400
HEALTH AND HUMAN SERVICES			13
<u>HEALTH SVCS/INDIVIDUALS</u>			<u>1301.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE MEDICALLY NEEDY			
ELIGIBILITY CATEGORY			33V5880
SPECIAL CATEGORIES			100000
STW INPATIENT PSYCH SVCS			103560
GENERAL REVENUE FUND	-MATCH	2,696-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	3,717-	2474 3
TOTAL APPRO.....		6,413-	
		=====	
TOTAL: ELIMINATE MEDICALLY NEEDY			33V5880
ELIGIBILITY CATEGORY			
TOTAL ISSUE.....		402,974,531-	
		=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 24-25 NARRATIVE: IT COMPONENT? NO  
 ISSUE TITLE: Eliminate Medically Needy Eligibility Category  
 PRIORITY #4

Article III, section 19 of the Florida Constitution, requires departments and agencies to provide a "...prioritized listing of planned expenditures for review and possible reduction in the event of revenue shortfalls." This issue is being submitted to comply with this requirement and does not represent support or endorsement by the Agency for Health Care Administration (AHCA).

ISSUE SUMMARY: This issue proposes to eliminate the coverage of Non-Pregnant Adults in the Medically Needy optional eligibility group. Pregnant women and children, under the age of 21, would continue to have coverage in the Medically Needy group. This is a reduction of \$402,989,781, of which \$135,681,477 is General Revenue. This reduction includes drug rebates and the proportionate federal share. This issue would be effective July 1, 2024.

ISSUE DETAIL: The Medically Needy Program is for individuals who are categorically eligible for Medicaid, but do not qualify because they have income above regular Medicaid levels. Through Medically Needy, people qualify for Medicaid by incurring medical expenses that "spends down" their income to a qualifying level. The person is eligible for Medicaid only for the part of the month after he or she incurs these medical expenses. Currently, Medically Needy coverage is available for all populations covered under other eligibility groups for those whose income is too high to qualify for full coverage, including Non-Pregnant Adults. Most of the recipients are only eligible between one or two months and only a small percentage qualifies for longer periods of time. Medicaid would continue to pay Medically Needy coverage for an estimated 10,221 pregnant women and children while 103,828 adults would no longer be eligible for coverage in SFY 2024-2025.

-----		COL A10	
		SCH VIIIIB-2	
		RED FY24-25	
POS	AMOUNT		CODES
-----			
AGENCY/HEALTH CARE ADMIN			68000000
PGM: HEALTH CARE SERVICES			68500000
<u>MEDICAID SERV/INDIVIDUALS</u>			68501400
HEALTH AND HUMAN SERVICES			13
<u>HEALTH SVCS/INDIVIDUALS</u>			<u>1301.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE MEDICALLY NEEDY			
ELIGIBILITY CATEGORY			33V5880

The top 97.13% of projected expenditures for Fiscal Year 2024-25 under the Medically Needy program for current eligible are as follows:

Prescribed Medicine	\$116,685,927	28.96%
Hospital Inpatient	\$108,472,269	26.92%
Hospital Outpatient	\$60,740,164	15.07%
Physician & Health Care Prac Services	\$54,889,500	13.62%
Other Fee-for-Service	\$50,640,294	12.57%

A State Plan amendment, a Medicaid Rule amendment, an amendment of section 409.904 (2), Florida Statutes, and legislative budget authority are needed to achieve this reduction.

FISCAL IMPACT: The budgetary breakout for this reduction is as follows:

	RECURRING FY 2024-25	NON-RECURRING FY 2024-25	TOTAL FY 2024-25	ANNUALIZATION FY 2025-2026
Medicaid Services to Individuals (68501400)				
Case Management (100311)				
General Revenue (1000 - 2)	(\$5,257)	\$0	(\$5,257)	\$0
Medical Trust Fund (2474 - 3)	(\$7,247)	\$0	(\$7,247)	\$0
Total	(\$12,504)	\$0	(\$12,504)	\$0
Community Behavior Health (100616)				
General Revenue (1000 - 2)	(\$159,279)	\$0	(\$159,279)	\$0
Medical Trust Fund (2474 - 3)	(\$219,596)	\$0	(\$219,596)	\$0
Total	(\$378,875)	\$0	(\$378,875)	\$0
Devel Eval & Interval-Part C (100919)				
General Revenue (1000 - 2)	(\$9,983)	\$0	(\$9,983)	\$0
Medical Trust Fund (2474 - 3)	(\$13,763)	\$0	(\$13,763)	\$0
Total	(\$23,746)	\$0	(\$23,746)	\$0
Hospital Inpatient Service (101582)				
General Revenue (1000 - 2)	(\$45,601,742)	\$0	(\$45,601,742)	\$0
Medical Trust Fund (2474 - 3)	(\$62,870,527)	\$0	(\$62,870,527)	\$0
Total	(\$108,472,269)	\$0	(\$108,472,269)	\$0



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COL A10				
SCH VIIIIB-2				
RED FY24-25				
POS	AMOUNT			CODES
-----				
AGENCY/HEALTH CARE ADMIN				68000000
PGM: HEALTH CARE SERVICES				68500000
<u>MEDICAID SERV/INDIVIDUALS</u>				68501400
HEALTH AND HUMAN SERVICES				13
<u>HEALTH SVCS/INDIVIDUALS</u>				<u>1301.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
ELIMINATE MEDICALLY NEEDY				
ELIGIBILITY CATEGORY				33V5880
Hospital Insurance Benefit (101589)				
General Revenue (1000 - 2)	(\$615,365)	\$0	(\$615,365)	\$0
Medical Trust Fund (2474 - 3)	(\$848,396)	\$0	(\$848,396)	\$0
Total	(\$1,463,761)	\$0	(\$1,463,761)	\$0
Hospital Outpatient Service (101596)				
General Revenue (1000 - 2)	(\$25,535,165)	\$0	(\$25,535,165)	\$0
Medical Trust Fund (2474 - 3)	(\$35,204,999)	\$0	(\$35,204,999)	\$0
Total	(\$60,740,164)	\$0	(\$60,740,164)	\$0
Other Fee for Service (102325)				
General Revenue (1000 - 2)	(\$21,289,180)	\$0	(\$21,289,180)	\$0
Medical Trust Fund (2474 - 3)	(\$29,351,114)	\$0	(\$29,351,114)	\$0
Total	(\$50,640,294)	\$0	(\$50,640,294)	\$0
Personal Care Services (102538)				
General Revenue (1000 - 2)	(\$232,860)	\$0	(\$232,860)	\$0
Medical Trust Fund (2474 - 3)	(\$321,041)	\$0	(\$321,041)	\$0
Total	(\$553,901)	\$0	(\$553,901)	\$0
Physician/Health Care Practitioner Services (102542)				
General Revenue (1000 - 2)	(\$23,075,546)	\$0	(\$23,075,546)	\$0
Medical Trust Fund (2474 - 3)	(\$31,813,954)	\$0	(\$31,813,954)	\$0
Total	(\$54,889,500)	\$0	(\$54,889,500)	\$0
Prepaid Health Plans (102673)				
General Revenue (1000 - 2)	(\$3,828,657)	\$0	(\$3,828,657)	(\$1,291,397)
Medical Trust Fund (2474 - 3)	(\$5,278,519)	\$0	(\$5,278,519)	(\$1,744,328)
Total	(\$9,107,176)	\$0	(\$9,107,176)	(\$3,035,725)
Prescribed Medicine/Drugs (102681)				
General Revenue (1000 - 2)	(\$15,319,338)	\$0	(\$15,319,338)	\$0
Health Care Trust Fund (2003 - 2)	(\$5,437,666)	\$0	(\$5,437,666)	\$0
Grants and Donations (2339 - 2)	(\$36,306,638)	\$0	(\$36,306,638)	\$0
Grants and Donations (2339 - 3)	(\$50,055,489)	\$0	(\$50,055,489)	\$0
Medical Trust Fund (2474 - 3)	(\$9,566,797)	\$0	(\$9,566,797)	\$0
Total	(\$116,685,927)	\$0	(\$116,685,927)	\$0

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 COL A10  
 SCH VIIIIB-2  
 RED FY24-25  
 POS AMOUNT  
 -----

CODES

AGENCY/HEALTH CARE ADMIN  
 PGM: HEALTH CARE SERVICES  
MEDICAID SERV/INDIVIDUALS  
 HEALTH AND HUMAN SERVICES  
HEALTH SVCS/INDIVIDUALS  
 PROGRAM REDUCTIONS  
 ELIMINATE MEDICALLY NEEDY  
 ELIGIBILITY CATEGORY

68000000  
 68500000  
 68501400  
 13  
1301.00.00.00  
 33V0000  
 33V5880

Statewide Inpatient Psychiatric  
 Services (103560)  
 General Revenue (1000 - 2)  
 Medical Trust Fund (2474 - 3)  
 Total

(\$2,696)	\$0	(\$2,696)	\$0
(\$3,717)	\$0	(\$3,717)	\$0
(\$6,413)	\$0	(\$6,413)	\$0

Medicaid Long Term Care (68501500)  
 Assistive Care Services (100602)  
 General Revenue (1000 - 2)  
 Medical Trust Fund (2474 - 3)  
 Total

(\$1,010)	\$0	(\$1,010)	\$0
(\$1,393)	\$0	(\$1,393)	\$0
(\$2,403)	\$0	(\$2,403)	\$0

Nursing Home Care (102233)  
 General Revenue (1000 - 2)  
 Medical Trust Fund (2474 - 3)  
 Total

(\$1,355)	\$0	(\$1,355)	\$0
(\$1,868)	\$0	(\$1,868)	\$0
(\$3,223)	\$0	(\$3,223)	\$0

St Mental Health Hospital (103556)  
 General Revenue (1000 - 2)  
 Medical Trust Fund (2474 - 3)  
 Total

(\$4,046)	\$0	(\$4,046)	\$0
(\$5,578)	\$0	(\$5,578)	\$0
(\$9,624)	\$0	(\$9,624)	\$0

Issue Total (\$402,989,781) \$0 (\$402,989,781) (\$3,035,725)

SOURCE OF FUNDS:

General Revenue (State 33.67%)  
 Health Care Trust Fund (State 1.35%)  
 Grants and Donations (State 9.01%)  
 Grants and Donations (Federal 12.42%)  
 Medical Care Trust Fund (Federal 43.55%)

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		COL A10	
		SCH VIIIIB-2	
		RED FY24-25	
POS	AMOUNT		CODES
AGENCY/HEALTH CARE ADMIN			68000000
PGM: HEALTH CARE SERVICES			68500000
<u>MEDICAID SERV/INDIVIDUALS</u>			68501400
HEALTH AND HUMAN SERVICES			13
<u>HEALTH SVCS/INDIVIDUALS</u>			<u>1301.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
NURSING HOME RATE REDUCTION			33V7010
SPECIAL CATEGORIES			100000
OTHER FEE FOR SERVICE			102325
GENERAL REVENUE FUND	-MATCH	467,483-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	732,458-	2474 3
TOTAL APPRO.....		1,199,941-	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 24-25 NARRATIVE: IT COMPONENT? NO  
 ISSUE TITLE: Nursing Home Rate Reduction  
 PRIORITY #8

Article III, section 19 of the Florida Constitution, requires departments and agencies to provide a "...prioritized listing of planned expenditures for review and possible reduction in the event of revenue shortfalls." This issue is being submitted to comply with this requirement and does not represent support or endorsement by the Agency for Health Care Administration (AHCA).

ISSUE SUMMARY: This issue proposes a reduction of \$225,844,335 in the Nursing Home Services, including the impact to Hospice, and Prepaid Health Plan Long-Term Care categories.

ISSUE DETAIL: The Agency will achieve the proposed reduction by decreasing the reimbursement rates for nursing home services by 10 percent and utilizing the pass-through impact on the prepaid health plan long-term care. The impact on the prepaid health plan will equate to a 4.40 percent reduction. Legislative authority is needed to achieve this reduction.

The following details reflect the calculations used as the basis for developing this issue.

			Rate Change	FY 2024-25
			Difference	Reduction
NURSING HOME SERVICES		10%		
Medicaid Caseload	1,210,251	1,210,251		
Medicaid Utilization Rate	0.15%	0.14%		
Medicaid Services Per Month	1,805	1,805		
Medicaid Unit Cost	\$8,861.73	\$7,975.55	(\$886.18)	
Medicaid Total Cost	\$191,945,000	\$172,750,413	(\$19,194,587)	(\$14,395,940)
PREPAID HEALTH PLANS		4.40%		
Caseload	135,635	135,635		

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 COL A10  
 SCH VIIIIB-2  
 RED FY24-25  
 POS AMOUNT  
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CODES

AGENCY/HEALTH CARE ADMIN 68000000  
 PGM: HEALTH CARE SERVICES 68500000  
MEDICAID SERV/INDIVIDUALS 68501400  
 HEALTH AND HUMAN SERVICES 13  
HEALTH SVCS/INDIVIDUALS 1301.00.00.00  
 PROGRAM REDUCTIONS 33V0000  
 NURSING HOME RATE REDUCTION 33V7010

Unit Cost \$3,912.56 \$3,740.33 (\$172.23)  
 Total Cost \$6,368,161,747 \$6,087,830,475 (\$280,331,272) (\$210,248,454)

FISCAL IMPACT:

	RECURRING FY 2024-25	NON-RECURRING FY 2024-25	TOTAL FY 2024-25	ANNUALIZATION FY 2025-2026
Medicaid Services to Individuals (68501400)				
Other Fee for Service (102325)				
General Revenue (1000 - 2)	(\$467,483)	\$0	(\$311,655)	(\$169,353)
Medical Trust Fund (2474 - 3)	(\$732,458)	\$0	(\$488,306)	(\$230,628)
Total	(\$1,199,941)	\$0	(\$1,199,941)	(\$399,981)
Medicaid Long-Term Care (68501500)				
Nursing Home Services (102233)				
General Revenue (1000 - 2)	(\$6,052,053)	\$0	(\$6,052,053)	(\$2,031,747)
Medical Trust Fund (2474 - 3)	(\$8,343,887)	\$0	(\$8,343,887)	(\$2,766,900)
Total	(\$14,395,940)	\$0	(\$14,395,940)	(\$4,798,647)
Prepaid Health Plans (102674)				
General Revenue (1000 - 2)	(\$88,388,450)	\$0	(\$88,388,450)	(\$29,673,065)
Medical Trust Fund (2474 - 3)	(\$121,860,004)	\$0	(\$121,860,004)	(\$40,409,753)
Total	(\$210,248,454)	\$0	(\$210,248,454)	(\$70,082,818)
Issue Total	(\$225,844,335)	\$0	(\$225,844,335)	(\$75,281,446)

SOURCE OF FUNDS:

General Revenue (State 42.04%)  
 Medical Care Trust Fund (Federal 57.96%)

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		COL A10	
		SCH VIIIIB-2	
		RED FY24-25	
POS	AMOUNT		CODES
-----			
AGENCY/HEALTH CARE ADMIN			68000000
PGM: HEALTH CARE SERVICES			68500000
<u>MEDICAID SERV/INDIVIDUALS</u>			68501400
HEALTH AND HUMAN SERVICES			13
<u>HEALTH SVCS/INDIVIDUALS</u>			<u>1301.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
HOSPITAL OUTPATIENT RATE REDUCTION			33V7020
SPECIAL CATEGORIES			100000
HOSPITAL OUTPATIENT SVCS			101596
GENERAL REVENUE FUND	-MATCH	16,396,090-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	22,605,076-	2474 3
REFUGEE ASSISTANCE TF	-FEDERL	773,935-	2579 3
TOTAL APPRO.....		39,775,101-	
		=====	
PREPAID HEALTH PLANS			102673
GENERAL REVENUE FUND	-MATCH	183,007,156-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	259,024,078-	2474 3
REFUGEE ASSISTANCE TF	-FEDERL	4,870,212-	2579 3
TOTAL APPRO.....		446,901,446-	
		=====	
TOTAL: HOSPITAL OUTPATIENT RATE REDUCTION			33V7020
TOTAL ISSUE.....		486,676,547-	
		=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 24-25 NARRATIVE: IT COMPONENT? NO  
 ISSUE TITLE: Hospital Outpatient Rate Reduction  
 PRIORITY #7

Article III, section 19 of the Florida Constitution, requires departments and agencies to provide a "...prioritized listing of planned expenditures for review and possible reduction in the event of revenue shortfalls." This issue is being submitted to comply with this requirement and does not represent support or endorsement by the Agency for Health Care Administration (AHCA).

ISSUE SUMMARY: This issue proposes to reduce the Medicaid Hospital Outpatient Services and Prepaid Health Plans categories. This would result in a reduction of \$486,676,547 of which \$199,403,246 is General Revenue. This reduction includes the proportionate federal share.

ISSUE DETAIL: The Agency will achieve the proposed reduction by decreasing the Enhanced Ambulatory Patient Grouping (EAPG) base rate for hospital outpatient services by 29 percent and passing through the impact of this decrease to the prepaid health plan capitation rates which go into effect on October 1, 2024. The impact on the prepaid health plan

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		SCH VIIIIB-2	
		RED FY24-25	
POS	AMOUNT		CODES
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AGENCY/HEALTH CARE ADMIN			68000000
PGM: HEALTH CARE SERVICES			68500000
<u>MEDICAID SERV/INDIVIDUALS</u>			68501400
HEALTH AND HUMAN SERVICES			13
<u>HEALTH SVCS/INDIVIDUALS</u>			<u>1301.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
HOSPITAL OUTPATIENT RATE REDUCTION			33V7020

rates will equate to a 3.84 percent reduction while the impact on the CMS Plan capitation rates will be a 1.72 percent reduction. This issue would be effective July 1, 2024, for fee-for-service rates and October 1, 2024, for prepaid health plans rates. Managed care plans and hospitals negotiate rates which the managed care plans pay the hospitals.

During the 2021 Legislative Session, the legislature adopted, and Governor DeSantis approved, the establishment of a new supplemental funding mechanism for hospitals in addition to reimbursement already received through current supplemental payment programs and through DRGS/EAPGs. Year 3 funding for this program, called the Hospital Directed Payments Program (DPP), will need to be approved at a future Legislative Budget Commission (LBC) during SFY 2023-24 in the amount of \$3.4 billion in the Medical Care Trust Fund in the Prepaid Health Plan - Hospital Directed Payment Program category in the Medicaid Services to Individuals budget entity. The state share of the DPP program is provided through intergovernmental transfers. There is an opportunity for the DPP to continue to grow for Year 4 in excess of the \$3.4 billion. Funding through the DPP will offset this proposed reduction.

A State Plan amendment, a Medicaid Rule amendment, and legislative budget authority are needed to achieve this reduction.

The following details reflect the calculations used as the basis for developing this issue.

			Rate Change	FY 2024-25
			Difference	Reduction
HOSPITAL OUTPATIENT SERVICES		29%		
Medicaid Caseload	399,938	399,938		
Medicaid Utilization Rate	30.41%	30.41%		
Medicaid Services Per Month	121,636	121,636		
Medicaid Unit Cost	\$93.97	\$66.72	(\$27.25)	
Medicaid Total Cost	\$137,155,521	\$97,380,420	(\$39,775,101)	(\$39,775,101)
PREPAID HEALTH PLANS		3.84%		
Caseload	3,510,274	3,510,274		
Unit Cost	\$345.48	\$332.19	(\$13.28)	
Total Cost	\$14,552,585,192	\$13,993,058,086	(\$559,527,106)	(\$419,645,330)
PREPAID HEALTH PLANS-CMS		1.72%		
Caseload	95,847	95,847		
Unit Cost	\$1,834.71	\$1,803.12	(\$31.60)	
Total Cost	\$2,110,245,078	\$2,073,903,589	(\$36,341,489)	(\$27,256,117)

FISCAL IMPACT: The budgetary breakout for this reduction is as follows:

RECURRING	NON-RECURRING	TOTAL	ANNUALIZATION
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 COL A10  
 SCH VIIIIB-2  
 RED FY24-25  
 POS AMOUNT  
 -----  
 CODES

AGENCY/HEALTH CARE ADMIN 68000000  
 PGM: HEALTH CARE SERVICES 68500000  
MEDICAID SERV/INDIVIDUALS 68501400  
 HEALTH AND HUMAN SERVICES 13  
HEALTH SVCS/INDIVIDUALS 1301.00.00.00  
 PROGRAM REDUCTIONS 33V0000  
 HOSPITAL OUTPATIENT RATE REDUCTION 33V7020

FY 2024-2025      FY 2024-2025      FY 2024-2025      FY 2025-2026

Medicaid Services to Individuals (68501400)				
Hospital Outpatient Services (101596)				
General Revenue (1000 - 2)	(\$16,396,090)	\$0	(\$16,396,090)	\$0
Medical Care Trust Fund (2474 - 3)	(\$22,605,076)	\$0	(\$22,605,076)	\$0
Refugee Assistance Trust Fund (2579 - 3)	(\$773,935)	\$0	(\$773,935)	\$0
Total	(\$39,775,101)	\$0	(\$39,775,101)	\$0
Prepaid Health Plans (102673)				
General Revenue (1000 - 2)	(\$183,007,156)	\$0	(\$183,007,156)	(\$61,002,386)
Medical Care Trust Fund (2474 - 3)	(\$259,024,078)	\$0	(\$259,024,078)	(\$86,341,360)
Refugee Assistance Trust Fund (2579 - 3)	(\$4,870,212)	\$0	(\$4,870,212)	(\$1,623,403)
Total	(\$446,901,446)	\$0	(\$446,901,446)	(\$148,967,149)
Issue Total	(\$486,676,547)	\$0	(\$486,676,547)	(\$148,967,149)

SOURCE OF FUNDS:  
 General Revenue (State 40.97%)  
 Medical Care Trust Fund (Federal 57.87%)  
 Refugee Assistance Trust Fund (Federal 1.16%)

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HOSPITAL INPATIENT RATE REDUCTION 33V7030  
 SPECIAL CATEGORIES 100000  
 HOSPITAL INPATIENT SERVICE 101582

GENERAL REVENUE FUND	-MATCH	89,608,125	1000	2
MEDICAL CARE TRUST FUND	-FEDERL	123,541,554	2474	3
REFUGEE ASSISTANCE TF	-FEDERL	1,171,474	2579	3
TOTAL APPRO.....		214,321,153	=====	

PREPAID HEALTH PLANS 102673

GENERAL REVENUE FUND	-MATCH	218,281,784	1000	2
MEDICAL CARE TRUST FUND	-FEDERL	308,817,648	2474	3
REFUGEE ASSISTANCE TF	-FEDERL	5,712,245	2579	3

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	COL A10	
	SCH VIIIIB-2	
	RED FY24-25	
	POS	AMOUNT
	-----	
		CODES
AGENCY/HEALTH CARE ADMIN		68000000
PGM: HEALTH CARE SERVICES		68500000
<u>MEDICAID SERV/INDIVIDUALS</u>		68501400
HEALTH AND HUMAN SERVICES		13
<u>HEALTH SVCS/INDIVIDUALS</u>		<u>1301.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
HOSPITAL INPATIENT RATE REDUCTION		33V7030
SPECIAL CATEGORIES		100000
PREPAID HEALTH PLANS		102673
TOTAL APPRO.....	532,811,677	
	=====	
TOTAL: HOSPITAL INPATIENT RATE REDUCTION		33V7030
TOTAL ISSUE.....	747,132,830	
	=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 24-25 NARRATIVE: IT COMPONENT? NO  
 ISSUE TITLE: Hospital Inpatient Rate Reduction  
 PRIORITY #6

Article III, section 19 of the Florida Constitution, requires departments and agencies to provide a "...prioritized listing of planned expenditures for review and possible reduction in the event of revenue shortfalls." This issue is being submitted to comply with this requirement and does not represent support or endorsement by the Agency for Health Care Administration (AHCA).

ISSUE SUMMARY: This issue proposes to reduce the Hospital Inpatient Services and Prepaid Health Plans categories. This would result in a reduction of \$747,132,830 of which \$307,889,910 is General Revenue. This reduction includes the proportionate federal share.

ISSUE DETAIL: The Agency will achieve the proposed reduction by decreasing the Diagnosis Related Group (DRG) base rate for hospital inpatient services by 29 percent and passing through the impact of this decrease to the prepaid health plan capitation rates which go into effect on October 1, 2024. The impact on the prepaid health plan capitation rates will equate to a 4.51 percent reduction while the impact on the CMS Plan capitation rates will be a 2.73 percent reduction. This issue would be effective July 1, 2024, for fee-for-service rates and October 1, 2024, for prepaid health plans rates. Managed care plans and hospitals negotiate rates that the managed care plans shall pay the hospitals.

During the 2021 Legislative Session, the legislature adopted, and Governor DeSantis approved, the establishment of a new supplemental funding mechanism for hospitals in addition to reimbursement already received through current supplemental payment programs and through DRGs/EAPGs. Year 3 funding for this program, called the Hospital Directed Payments Program (DPP), will need to be approved at a future Legislative Budget Commission (LBC) during SFY 2023-24 in the amount of \$3.4 billion in the Prepaid Health Plan - Hospital Directed Payment Program category in the Medicaid Services to Individuals budget entity. The state share of the DPP program is provided through intergovernmental transfers. There is an opportunity for the DPP to continue to grow for Year 4 in excess of the \$3.4 billion. Funding through the DPP will offset this proposed reduction.

A State Plan amendment, a Medicaid Rule amendment, and legislative budget authority are needed to achieve this reduction.



COL A10		CODES
SCH VIIIIB-2		
RED FY24-25		
POS	AMOUNT	
AGENCY/HEALTH CARE ADMIN		68000000
PGM: HEALTH CARE SERVICES		68500000
<u>MEDICAID SERV/INDIVIDUALS</u>		68501400
HEALTH AND HUMAN SERVICES		13
<u>HEALTH SVCS/INDIVIDUALS</u>		<u>1301.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
HOSPITAL INPATIENT RATE REDUCTION		33V7030

The following details reflect the calculations used as the basis for developing this issue.

			Rate Change Difference	FY 2024-25 Reduction
HOSPITAL INPATIENT SERVICES		29%		
Medicaid Caseload	399,938	399,938		
Medicaid Utilization Rate	1.74%	1.74%		
Medicaid Services Per Month	6,943	6,943		
Medicaid Unit Cost	\$8,870.31	\$6,297.92	(\$2,572.39)	
Medicaid Total Cost	\$739,038,460	\$524,717,307	(\$214,321,153)	(\$214,321,153)
PREPAID HEALTH PLANS		4.51%		
Caseload	3,510,274	3,510,274		
Unit Cost	\$345.48	\$329.90	(\$15.58)	
Total Cost	\$14,552,585,192	\$13,896,318,841	(\$656,266,351)	(\$492,199,763)
PREPAID HEALTH PLANS-CMS		2.73%		
Caseload	95,847	101,742		
Unit Cost	\$1,834.71	\$1,784.65	(\$50.07)	
Total Cost	\$2,110,245,078	\$2,052,657,261	(\$57,587,817)	(\$43,190,863)

FISCAL IMPACT: The budgetary breakout for this reduction is as follows:

	RECURRING FY 2024-25	NON-RECURRING FY 2024-25	TOTAL FY 2024-25	ANNUALIZATION FY 2025-2026
Medicaid Services to Individuals (68501400)				
Hospital Inpatient Services (101582)				
General Revenue (1000 - 2)	(\$89,608,125)	\$0	(\$89,608,125)	\$0
Medical Care Trust Fund (2474 - 3)	(\$123,541,554)	\$0	(\$123,541,554)	\$0
Refugee Assistance Trust Fund (2579 - 3)	(\$1,171,474)	\$0	(\$1,171,474)	\$0
Total	(\$214,321,153)	\$0	(\$214,321,153)	\$0
Prepaid Health Plans (102673)				
General Revenue (1000 - 2)	(\$218,281,784)	\$0	(\$218,281,784)	(\$74,206,182)
Medical Care Trust Fund (2474 - 3)	(\$308,817,648)	\$0	(\$308,817,648)	(\$104,932,228)
Refugee Assistance Trust Fund (2579 - 3)	(\$5,712,245)	\$0	(\$5,712,245)	(\$1,904,082)
Total	(\$532,811,677)	\$0	(\$532,811,677)	(\$181,042,492)

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	COL A10			
	SCH VIIIIB-2			
	RED FY24-25			
	POS	AMOUNT		CODES
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AGENCY/HEALTH CARE ADMIN				68000000
PGM: HEALTH CARE SERVICES				68500000
<u>MEDICAID SERV/INDIVIDUALS</u>				68501400
HEALTH AND HUMAN SERVICES				13
<u>HEALTH SVCS/INDIVIDUALS</u>				<u>1301.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
HOSPITAL INPATIENT RATE REDUCTION				33V7030
Issue Total		(\$747,132,830)	\$0	(\$747,132,830) (\$181,042,492)

SOURCE OF FUNDS:

General Revenue (1000 - 2) 40.64%  
 Medical Care Trust Fund (2474 - 3) 59.24%  
 Refugee Assistance Trust Fund (2579 - 3) 0.13%

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TOTAL: HEALTH SVCS/INDIVIDUALS				<u>1301.00.00.00</u>
BY FUND TYPE				
GENERAL REVENUE FUND		381,312,867-		1000
TRUST FUNDS		640,373,099-		2000
		-----		
TOTAL PROG COMP.....		1021,685,966-		=====

<u>MEDICAID LONG TERM CARE</u>				68501500
HEALTH AND HUMAN SERVICES				13
<u>LONG-TERM CARE</u>				<u>1303.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
HOME AND COMMUNITY-BASED SERVICES				
WAIVER REDUCTION - DOUBLE BUDGET				33V0120
SPECIAL CATEGORIES				100000
HOME & COMMUNITY BASED SVC				101554
MEDICAL CARE TRUST FUND -MATCH		94,907,986-		2474 2
-FEDERL		130,936,349-		2474 3
		-----		
TOTAL MEDICAL CARE TRUST FUND		225,844,335-		2474
		=====		
TOTAL APPRO.....		225,844,335-		=====

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 24-25 NARRATIVE: IT COMPONENT? NO  
 ISSUE TITLE: Home and Community-Based Services Waiver Reduction - Double Budget  
 PRIORITY #5

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		SCH VIIIIB-2	
		RED FY24-25	
POS	AMOUNT		CODES
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AGENCY/HEALTH CARE ADMIN			68000000
PGM: HEALTH CARE SERVICES			68500000
<u>MEDICAID LONG TERM CARE</u>			68501500
HEALTH AND HUMAN SERVICES			13
<u>LONG-TERM CARE</u>			<u>1303.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
HOME AND COMMUNITY-BASED SERVICES			
WAIVER REDUCTION - DOUBLE BUDGET			33V0120

Article III, section 19 of the Florida Constitution, requires departments and agencies to provide a "...prioritized listing of planned expenditures for review and possible reduction in the event of revenue shortfalls." This issue is being submitted to comply with this requirement and does not represent support or endorsement by the Agency for Health Care Administration (AHCA).

ISSUE SUMMARY: This issue reduces \$225,844,335 from the Home and Community Based Services (HCBS) category associated with the double budget appropriated to the AHCA for the payment of claims for the HCBS waiver administered by the Agency for Persons with Disabilities (APD). This reduction will result in lower budget amounts for all Waiver participants. Provider service rates and service availability could be reduced for many services including employment and training, residential supports, support coordination, therapies, respite, companion, in-home supports, supportive living, durable and consumable medical equipment, behavioral supports, and waiver funded medical services. Service rate reductions could result in providers choosing to no longer offer the services. This would lead to some individuals not being able to receive needed services and possibly resorting to institutional care. The reduction amount includes the proportionate federal share.

ISSUE DETAIL: This issue reduces double budget authority in the Medical Care Trust Fund that is used by the AHCA for the payment of claims for individuals enrolled in the HCBS waiver administered by the APD. This reduction would keep the budget authority in the HCBS waiver category in balance based upon the federal financial participation (FFP) rate. The General Revenue reduction would be reflected in the APD's budget.

FISCAL IMPACT: The budgetary breakout for this reduction is as follows:

	RECURRING FY 2024-25	NON-RECURRING FY 2024-25	TOTAL FY 2024-25	ANNUALIZATION FY 2025-2026
Medicaid Long Term Care (68501500)				
Home and Community Based Services (101554)				
Medical Trust Fund (2474 - 2)	(\$94,907,986)	\$0	(\$94,907,986)	\$0
Medical Trust Fund (2474 - 3)	(\$130,936,349)	\$0	(\$130,936,349)	\$0
Issue Total	(\$225,844,335)	\$0	(\$225,844,335)	\$0

SOURCE OF FUNDS:

Medical Care Trust Fund (State 42.04%)  
 MediDal Care Trust Fund (Federal 57.96%)

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		COL A10	
		SCH VIIIIB-2	
		RED FY24-25	
POS	AMOUNT		CODES
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AGENCY/HEALTH CARE ADMIN			68000000
PGM: HEALTH CARE SERVICES			68500000
<u>MEDICAID LONG TERM CARE</u>			68501500
HEALTH AND HUMAN SERVICES			13
<u>LONG-TERM CARE</u>			<u>1303.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE 19 AND 20 YEAR-OLD			
OPTIONAL CHILD ELIGIBILITY GROUP			33V0500
SPECIAL CATEGORIES			100000
ASSISTIVE CARE SERVICES			100602
GENERAL REVENUE FUND	-MATCH	417-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	575-	2474 3
TOTAL APPRO.....		992-	
		=====	
NURSING HOME CARE			102233
GENERAL REVENUE FUND	-MATCH	6,512-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	8,978-	2474 3
TOTAL APPRO.....		15,490-	
		=====	
TOTAL: ELIMINATE 19 AND 20 YEAR-OLD			33V0500
OPTIONAL CHILD ELIGIBILITY GROUP			
TOTAL ISSUE.....		16,482-	
		=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 24-25 NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE: Eliminate Medicaid 19 and 20 Year-Old Optional Child Eligibility Group  
 PRIORITY #2

Article III, section 19 of the Florida Constitution, requires departments and agencies to provide a "...prioritized listing of planned expenditures for review and possible reduction in the event of revenue shortfalls." This issue is being submitted to comply with this requirement and does not represent support or endorsement by the Agency for Health Care Administration (AHCA).

ISSUE SUMMARY: This issue proposes to eliminate the optional coverage for children aged 19 and 20. Floridians aged 19 and 20 would remain eligible in other categories (such as parent, pregnant woman, disabled, former foster care) if they met the technical requirement for those categories. This would result in a reduction of \$135,214,308, of which \$43,384,064 is General Revenue. The estimate would be reduced if any individuals in this category converted to other eligibility categories. This reduction includes rebates and the proportionate federal share. This issue would be effective July 1, 2024.

COL A10		
SCH VIIIIB-2		
RED FY24-25		
POS	AMOUNT	CODES
AGENCY/HEALTH CARE ADMIN		68000000
PGM: HEALTH CARE SERVICES		68500000
<u>MEDICAID LONG TERM CARE</u>		68501500
HEALTH AND HUMAN SERVICES		13
<u>LONG-TERM CARE</u>		<u>1303.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE 19 AND 20 YEAR-OLD		
OPTIONAL CHILD ELIGIBILITY GROUP		33V0500

ISSUE DETAIL: Federal Medicaid regulations require state Medicaid programs to cover certain groups, while other groups are optional, and states can choose whether to cover each optional group. Florida Medicaid currently includes coverage of the optional eligible group known as 19- and 20-year-olds. Medicaid may be provided to individuals who are 19 and 20 years old who are unmarried or whose marriage was annulled. The 19 and 20-year-old population is an optional group and therefore Florida is not required to cover this group. This would mean that individuals ages 19 and 20 would continue to qualify for Medicaid coverage if they met the eligibility requirements for adults, which varies by category (e.g., 18% of federal poverty level (FPL) for parents and caregivers, 185% of FPL for pregnant women). The estimated number of recipients who would use these services in SFY 2024-2025 is 218,272.

A State Plan amendment, an amendment of section 409.903(3), Florida Statutes, and legislative budget authority are needed to achieve this reduction.

FISCAL IMPACT: The budgetary breakout for this reduction is as follows:

	RECURRING FY 2024-25	NON-RECURRING FY 2024-25	TOTAL FY 2024-25	ANNUALIZATION FY 2025-2026
Medicaid Services to Individuals (68501400)				
Case Management (100311)				
General Revenue (1000 - 2)	(\$44,473)	\$0	(\$44,473)	\$0
Medical Trust Fund (2474 - 3)	(\$61,314)	\$0	(\$61,314)	\$0
Total	(\$105,787)	\$0	(\$105,787)	\$0
Community Health Services (100616)				
General Revenue (1000 - 2)	(\$720,725)	\$0	(\$720,725)	\$0
Medical Trust Fund (2474 - 3)	(\$993,654)	\$0	(\$993,654)	\$0
Total	(\$1,714,379)	\$0	(\$1,714,379)	\$0
Devel Eval & Interv/Part C (100919)				
General Revenue (1000 - 2)	(\$1,237)	\$0	(\$1,237)	\$0
Medical Trust Fund (2474 - 3)	(\$1,705)	\$0	(\$1,705)	\$0
Total	(\$2,942)	\$0	(\$2,942)	\$0
Hospital Inpatient Service (101582)				
General Revenue (1000 - 2)	(\$10,250,102)	\$0	(\$10,250,102)	\$0
Medical Trust Fund (2474 - 3)	(\$14,131,683)	\$0	(\$14,131,683)	\$0
Total	(\$24,381,785)	\$0	(\$24,381,785)	\$0

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COL A10				
SCH VIIIIB-2				
RED FY24-25				
POS	AMOUNT			CODES
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AGENCY/HEALTH CARE ADMIN				68000000
PGM: HEALTH CARE SERVICES				68500000
<u>MEDICAID LONG TERM CARE</u>				68501500
HEALTH AND HUMAN SERVICES				13
<u>LONG-TERM CARE</u>				<u>1303.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
ELIMINATE 19 AND 20 YEAR-OLD				
OPTIONAL CHILD ELIGIBILITY GROUP				33V0500
Hospital Insurance Benefit (101589)				
General Revenue (1000 - 2)	(\$2,770)	\$0	(\$2,770)	\$0
Medical Trust Fund (2474 - 3)	(\$3,819)	\$0	(\$3,819)	\$0
Total	(\$6,589)	\$0	(\$6,589)	\$0
Hospital Outpatient Services (101596)				
General Revenue (1000 - 2)	(\$8,908,375)	\$0	(\$8,908,375)	\$0
Medical Trust Fund (2474 - 3)	(\$12,281,860)	\$0	(\$12,281,860)	\$0
Total	(\$21,190,235)	\$0	(\$21,190,235)	\$0
Other Fee for Service (102325)				
General Revenue (1000 - 2)	(\$4,545,991)	\$0	(\$4,545,991)	\$0
Medical Trust Fund (2474 - 3)	(\$6,267,498)	\$0	(\$6,267,498)	\$0
Total	(\$10,813,489)	\$0	(\$10,813,489)	\$0
Personal Care Services (102538)				
General Revenue (1000 - 2)	(\$148,055)	\$0	(\$148,055)	\$0
Medical Trust Fund (2474 - 3)	(\$204,121)	\$0	(\$204,121)	\$0
Total	(\$352,176)	\$0	(\$352,176)	\$0
Physician & Health Care Practitioner Services (102542)				
General Revenue (1000 - 2)	(\$10,534,518)	\$0	(\$10,534,518)	\$0
Medical Trust Fund (2474 - 3)	(\$14,523,802)	\$0	(\$14,523,802)	\$0
Total	(\$25,058,320)	\$0	(\$25,058,320)	\$0
Prepaid Health Plans (102673)				
General Revenue (1000 - 2)	(\$1,942,071)	\$0	(\$1,942,071)	(\$799,662)
Medical Trust Fund (2474 - 3)	(\$2,677,508)	\$0	(\$2,677,508)	(1,080,126)
Total	(\$4,619,579)	\$0	(\$4,619,579)	(\$1,879,788)
Prescribed Medicine/Drugs (102681)				
General Revenue (1000 - 2)	(\$6,278,819)	\$0	(\$6,278,819)	\$0
Grants and Donations (2339 - 2)	(\$14,810,473)	\$0	(\$14,810,473)	\$0
Grants and Donations (2339 - 3)	(\$20,419,006)	\$0	(\$20,419,006)	\$0
Medical Trust Fund (2474 - 3)	(\$5,444,248)	\$0	(\$5,444,248)	\$0
Total	(\$46,952,546)	\$0	(\$46,952,546)	\$0

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 COL A10  
 SCH VIIIIB-2  
 RED FY24-25  
 POS AMOUNT CODES  
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AGENCY/HEALTH CARE ADMIN 68000000  
 PGM: HEALTH CARE SERVICES 68500000  
MEDICAID LONG TERM CARE 68501500  
 HEALTH AND HUMAN SERVICES 13  
LONG-TERM CARE 1303.00.00.00  
 PROGRAM REDUCTIONS 33V0000  
 ELIMINATE 19 AND 20 YEAR-OLD  
 OPTIONAL CHILD ELIGIBILITY GROUP 33V0500

Medicaid Long Term Care (68501500)				
Assistive Care Services (100602)				
General Revenue (1000 - 2)	(\$417)	\$0	(\$417)	\$0
Medical Trust Fund (2474 - 3)	(\$575)	\$0	(\$575)	\$0
Total	(\$992)	\$0	(\$992)	\$0
Nursing Home Care (102233)				
General Revenue (1000 - 2)	(\$6,512)	\$0	(\$6,512)	\$0
Medical Trust Fund (2474 - 3)	(\$8,978)	\$0	(\$8,978)	\$0
Total	(\$15,489)	\$0	(\$15,489)	\$0
Issue Total	(\$135,214,308)	\$0	(\$135,214,308)	(\$1,879,788)

SOURCE OF FUNDS:  
 General Revenue (State 30.41%)  
 Grants and Donations (State 10.38%)  
 Grants and Donations (Federal 14.31%)  
 Medical Care Trust Fund (Federal 39.67%)

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ELIMINATE MEDICALLY NEEDY  
 ELIGIBILITY CATEGORY 33V5880  
 SPECIAL CATEGORIES 100000  
 ASSISTIVE CARE SERVICES 100602

GENERAL REVENUE FUND -MATCH	1,010-	1000 2
MEDICAL CARE TRUST FUND -FEDERL	1,393-	2474 3
TOTAL APPRO.....	2,403-	
	=====	

NURSING HOME CARE 102233

GENERAL REVENUE FUND -MATCH	1,355-	1000 2
MEDICAL CARE TRUST FUND -FEDERL	1,868-	2474 3
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	COL A10	
	SCH VIIIIB-2	
	RED FY24-25	
	POS	AMOUNT
	-----	
		CODES
AGENCY/HEALTH CARE ADMIN		68000000
PGM: HEALTH CARE SERVICES		68500000
<u>MEDICAID LONG TERM CARE</u>		68501500
HEALTH AND HUMAN SERVICES		13
<u>LONG-TERM CARE</u>		<u>1303.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE MEDICALLY NEEDY		
ELIGIBILITY CATEGORY		33V5880
SPECIAL CATEGORIES		100000
NURSING HOME CARE		102233
TOTAL APPRO.....	3,223-	
	=====	
ST MENTAL HEALTH HOSP PRG		103556
GENERAL REVENUE FUND -MATCH	4,046-	1000 2
MEDICAL CARE TRUST FUND -FEDERL	5,578-	2474 3
	-----	
TOTAL APPRO.....	9,624-	
	=====	
TOTAL: ELIMINATE MEDICALLY NEEDY		33V5880
ELIGIBILITY CATEGORY		
TOTAL ISSUE.....	15,250-	
	=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 24-25 NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE: Eliminate Medically Needy Eligibility Category  
 PRIORITY #4

Article III, section 19 of the Florida Constitution, requires departments and agencies to provide a "...prioritized listing of planned expenditures for review and possible reduction in the event of revenue shortfalls." This issue is being submitted to comply with this requirement and does not represent support or endorsement by the Agency for Health Care Administration (AHCA).

ISSUE SUMMARY: This issue proposes to eliminate the coverage of Non-Pregnant Adults in the Medically Needy optional eligibility group. Pregnant women and children, under the age of 21, would continue to have coverage in the Medically Needy group. This is a reduction of \$402,989,781, of which \$135,681,477 is General Revenue. This reduction includes drug rebates and the proportionate federal share. This issue would be effective July 1, 2024.

ISSUE DETAIL: The Medically Needy Program is for individuals who are categorically eligible for Medicaid, but do not qualify because they have income above regular Medicaid levels. Through Medically Needy, people qualify for Medicaid by incurring medical expenses that "spends down" their income to a qualifying level. The person is eligible for Medicaid only for the part of the month after he or she incurs these medical expenses. Currently, Medically Needy coverage is available for all populations covered under other eligibility groups for those whose income is too high to qualify for full coverage, including Non-Pregnant Adults. Most of the recipients are only eligible between one or two months and only



COL A10		
SCH VIIIIB-2		
RED FY24-25		
POS	AMOUNT	CODES
AGENCY/HEALTH CARE ADMIN		68000000
PGM: HEALTH CARE SERVICES		68500000
<u>MEDICAID LONG TERM CARE</u>		68501500
HEALTH AND HUMAN SERVICES		13
<u>LONG-TERM CARE</u>		<u>1303.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE MEDICALLY NEEDY		
ELIGIBILITY CATEGORY		33V5880

a small percentage qualifies for longer periods of time. Medicaid would continue to pay Medically Needy coverage for an estimated 10,221 pregnant women and children while 103,828 adults would no longer be eligible for coverage in SFY 2024-2025.

The top 97.13% of projected expenditures for Fiscal Year 2024-25 under the Medically Needy program for current eligible are as follows:

Prescribed Medicine	\$116,685,927	28.96%
Hospital Inpatient	\$108,472,269	26.92%
Hospital Outpatient	\$60,740,164	15.07%
Physician & Health Care Prac Services	\$54,889,500	13.62%
Other Fee-for-Service	\$50,640,294	12.57%

A State Plan amendment, a Medicaid Rule amendment, an amendment of section 409.904 (2), Florida Statutes, and legislative budget authority are needed to achieve this reduction.

FISCAL IMPACT: The budgetary breakout for this reduction is as follows:

	RECURRING FY 2024-25	NON-RECURRING FY 2024-25	TOTAL FY 2024-25	ANNUALIZATION FY 2025-2026
Medicaid Services to Individuals (68501400)				
Case Management (100311)				
General Revenue (1000 - 2)	(\$5,257)	\$0	(\$5,257)	\$0
Medical Trust Fund (2474 - 3)	(\$7,247)	\$0	(\$7,247)	\$0
Total	(\$12,504)	\$0	(\$12,504)	\$0
Community Behavior Health (100616)				
General Revenue (1000 - 2)	(\$159,279)	\$0	(\$159,279)	\$0
Medical Trust Fund (2474 - 3)	(\$219,596)	\$0	(\$219,596)	\$0
Total	(\$378,875)	\$0	(\$378,875)	\$0
Devel Eval & Interval-Part C (100919)				
General Revenue (1000 - 2)	(\$9,983)	\$0	(\$9,983)	\$0
Medical Trust Fund (2474 - 3)	(\$13,763)	\$0	(\$13,763)	\$0
Total	(\$23,746)	\$0	(\$23,746)	\$0

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LONG-TERM CARE  
 PROGRAM REDUCTIONS  
 ELIMINATE MEDICALLY NEEDY  
 ELIGIBILITY CATEGORY

68000000  
 68500000  
 68501500  
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1303.00.00.00  
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 33V5880

Hospital Inpatient Service (101582)				
General Revenue (1000 - 2)	(\$45,601,742)	\$0	(\$45,601,742)	\$0
Medical Trust Fund (2474 - 3)	(\$62,870,527)	\$0	(\$62,870,527)	\$0
Total	(\$108,472,269)	\$0	(\$108,472,269)	\$0
Hospital Insurance Benefit (101589)				
General Revenue (1000 - 2)	(\$615,365)	\$0	(\$615,365)	\$0
Medical Trust Fund (2474 - 3)	(\$848,396)	\$0	(\$848,396)	\$0
Total	(\$1,463,761)	\$0	(\$1,463,761)	\$0
Hospital Outpatient Service (101596)				
General Revenue (1000 - 2)	(\$25,535,165)	\$0	(\$25,535,165)	\$0
Medical Trust Fund (2474 - 3)	(\$35,204,999)	\$0	(\$35,204,999)	\$0
Total	(\$60,740,164)	\$0	(\$60,740,164)	\$0
Other Fee for Service (102325)				
General Revenue (1000 - 2)	(\$21,289,180)	\$0	(\$21,289,180)	\$0
Medical Trust Fund (2474 - 3)	(\$29,351,114)	\$0	(\$29,351,114)	\$0
Total	(\$50,640,294)	\$0	(\$50,640,294)	\$0
Personal Care Services (102538)				
General Revenue (1000 - 2)	(\$232,860)	\$0	(\$232,860)	\$0
Medical Trust Fund (2474 - 3)	(\$321,041)	\$0	(\$321,041)	\$0
Total	(\$553,901)	\$0	(\$553,901)	\$0
Physician/Health Care Practitioner Services (102542)				
General Revenue (1000 - 2)	(\$23,075,546)	\$0	(\$23,075,546)	\$0
Medical Trust Fund (2474 - 3)	(\$31,813,954)	\$0	(\$31,813,954)	\$0
Total	(\$54,889,500)	\$0	(\$54,889,500)	\$0
Prepaid Health Plans (102673)				
General Revenue (1000 - 2)	(\$3,828,657)	\$0	(\$3,828,657)	(\$1,291,397)
Medical Trust Fund (2474 - 3)	(\$5,278,519)	\$0	(\$5,278,519)	(\$1,744,328)
Total	(\$9,107,176)	\$0	(\$9,107,176)	(\$3,035,725)
Prescribed Medicine/Drugs (102681)				
General Revenue (1000 - 2)	(\$15,319,338)	\$0	(\$15,319,338)	\$0
Health Care Trust Fund (2003 - 2)	(\$5,437,666)	\$0	(\$5,437,666)	\$0

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Grants and Donations (2339 - 2)	(\$36,306,638)	\$0	(\$36,306,638)	\$0
Grants and Donations (2339 - 3)	(\$50,055,489)	\$0	(\$50,055,489)	\$0
Medical Trust Fund (2474 - 3)	(\$9,566,797)	\$0	(\$9,566,797)	\$0
Total	(\$116,685,927)	\$0	(\$116,685,927)	\$0

Statewide Inpatient Psychiatric Services (103560)				
General Revenue (1000 - 2)	(\$2,696)	\$0	(\$2,696)	\$0
Medical Trust Fund (2474 - 3)	(\$3,717)	\$0	(\$3,717)	\$0
Total	(\$6,413)	\$0	(\$6,413)	\$0

Medicaid Long Term Care (68501500)				
Assistive Care Services (100602)				
General Revenue (1000 - 2)	(\$1,010)	\$0	(\$1,010)	\$0
Medical Trust Fund (2474 - 3)	(\$1,393)	\$0	(\$1,393)	\$0
Total	(\$2,403)	\$0	(\$2,403)	\$0

Nursing Home Care (102233)				
General Revenue (1000 - 2)	(\$1,355)	\$0	(\$1,355)	\$0
Medical Trust Fund (2474 - 3)	(\$1,868)	\$0	(\$1,868)	\$0
Total	(\$3,223)	\$0	(\$3,223)	\$0

St Mental Health Hospital (103556)				
General Revenue (1000 - 2)	(\$4,046)	\$0	(\$4,046)	\$0
Medical Trust Fund (2474 - 3)	(\$5,578)	\$0	(\$5,578)	\$0
Total	(\$9,624)	\$0	(\$9,624)	\$0

Issue Total	(\$402,989,781)	\$0	(\$402,989,781)	(\$3,035,725)
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SOURCE OF FUNDS:  
 General Revenue (State 33.67%)  
 Health Care Trust Fund (State 1.35%)  
 Grants and Donations (State 9.01%)  
 Grants and Donations (Federal 12.42%)  
 Medical Care Trust Fund (Federal 43.55%)

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		RED FY24-25	
POS	AMOUNT		CODES
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AGENCY/HEALTH CARE ADMIN			68000000
PGM: HEALTH CARE SERVICES			68500000
<u>MEDICAID LONG TERM CARE</u>			68501500
HEALTH AND HUMAN SERVICES			13
<u>LONG-TERM CARE</u>			<u>1303.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
NURSING HOME RATE REDUCTION			33V7010
SPECIAL CATEGORIES			100000
NURSING HOME CARE			102233
GENERAL REVENUE FUND	-MATCH	6,052,053-	1000 2
MEDICAL CARE TRUST FUND	-FEDERL	8,343,887-	2474 3
		-----	
TOTAL APPRO.....		14,395,940-	
		=====	
PRPD HLTH PLAN/LNG TRM CAR			102674
GENERAL REVENUE FUND	-MATCH	88,388,450-	1000 2
MEDICAL CARE TRUST FUND	-MATCH	121,860,004-	2474 2
		-----	
TOTAL APPRO.....		210,248,454-	
		=====	
TOTAL: NURSING HOME RATE REDUCTION			33V7010
TOTAL ISSUE.....		224,644,394-	
		=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 24-25 NARRATIVE: IT COMPONENT? NO  
 ISSUE TITLE: Nursing Home Rate Reduction  
 PRIORITY #8

Article III, section 19 of the Florida Constitution, requires departments and agencies to provide a "...prioritized listing of planned expenditures for review and possible reduction in the event of revenue shortfalls." This issue is being submitted to comply with this requirement and does not represent support or endorsement by the Agency for Health Care Administration (AHCA).

ISSUE SUMMARY: This issue proposes a reduction of \$225,844,335 in the Nursing Home Services, including the impact to Hospice, and Prepaid Health Plan Long-Term Care categories.

ISSUE DETAIL: The Agency will achieve the proposed reduction by decreasing the reimbursement rates for nursing home services by 10 percent and utilizing the pass-through impact on the prepaid health plan long-term care. The impact on the prepaid health plan will equate to a 4.40 percent reduction. Legislative authority is needed to achieve this reduction.

The following details reflect the calculations used as the basis for developing this issue.

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AGENCY/HEALTH CARE ADMIN  
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LONG-TERM CARE  
 PROGRAM REDUCTIONS  
 NURSING HOME RATE REDUCTION

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 33V0000  
 33V7010

			Rate Change Difference	FY 2024-25 Reduction
NURSING HOME SERVICES		10%		
Medicaid Caseload	1,210,251	1,210,251		
Medicaid Utilization Rate	0.15%	0.14%		
Medicaid Services Per Month	1,805	1,805		
Medicaid Unit Cost	\$8,861.73	\$7,975.55	(\$886.18)	
Medicaid Total Cost	\$191,945,000	\$172,750,413	(\$19,194,587)	(\$14,395,940)
PREPAID HEALTH PLANS		4.40%		
Caseload	135,635	135,635		
Unit Cost	\$3,912.56	\$3,740.33	(\$172.23)	
Total Cost	\$6,368,161,747	\$6,087,830,475	(\$280,331,272)	(\$210,248,454)

FISCAL IMPACT:

	RECURRING FY 2024-25	NON-RECURRING FY 2024-25	TOTAL FY 2024-25	ANNUALIZATION FY 2025-2026
Medicaid Services to Individuals (68501400)				
Other Fee for Service (102325)				
General Revenue (1000 - 2)	(\$467,483)	\$0	(\$311,655)	(\$169,353)
Medical Trust Fund (2474 - 3)	(\$732,458)	\$0	(\$488,306)	(\$230,628)
Total	(\$1,199,941)	\$0	(\$1,199,941)	(\$399,981)
Medicaid Long-Term Care (68501500)				
Nursing Home Services (102233)				
General Revenue (1000 - 2)	(\$6,052,053)	\$0	(\$6,052,053)	(\$2,031,747)
Medical Trust Fund (2474 - 3)	(\$8,343,887)	\$0	(\$8,343,887)	(\$2,766,900)
Total	(\$14,395,940)	\$0	(\$14,395,940)	(\$4,798,647)
Prepaid Health Plans (102674)				
General Revenue (1000 - 2)	(\$88,388,450)	\$0	(\$88,388,450)	(\$29,673,065)
Medical Trust Fund (2474 - 3)	(\$121,860,004)	\$0	(\$121,860,004)	(\$40,409,753)
Total	(\$210,248,454)	\$0	(\$210,248,454)	(\$70,082,818)
Issue Total	(\$225,844,335)	\$0	(\$225,844,335)	(\$75,281,446)

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AGENCY/HEALTH CARE ADMIN		68000000
PGM: HEALTH CARE SERVICES		68500000
<u>MEDICAID LONG TERM CARE</u>		68501500
HEALTH AND HUMAN SERVICES		13
<u>LONG-TERM CARE</u>		<u>1303.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
NURSING HOME RATE REDUCTION		33V7010

SOURCE OF FUNDS:

General Revenue (State 42.04%)  
 Medical Care Trust Fund (Federal 57.96%)

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TOTAL: LONG-TERM CARE 1303.00.00.00

BY FUND TYPE		
GENERAL REVENUE FUND	94,453,843-	1000
TRUST FUNDS	356,066,618-	2000
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TOTAL PROG COMP.....	450,520,461-	
	=====	

TOTAL: AGENCY/HEALTH CARE ADMIN 68000000

BY FUND		
GENERAL REVENUE FUND	-MATCH 475,766,710-	1000 2
	=====	
HEALTH CARE TRUST FUND	-MATCH 5,437,666-	2003 2
	=====	
GRANTS AND DONATIONS TF	-MATCH 52,835,121-	2339 2
	-FEDERL 72,843,093-	2339 3
	-----	
TOTAL GRANTS AND DONATIONS TF	125,678,214-	2339
	=====	
MEDICAL CARE TRUST FUND	-MATCH 217,399,521-	2474 2
	-FEDERL 649,163,888-	2474 3
	-----	
TOTAL MEDICAL CARE TRUST FUND	866,563,409-	2474
	=====	
REFUGEE ASSISTANCE TF	-FEDERL 1,239,572	2579 3
	=====	
TOTAL DEPARTMENT.....	1472,206,427-	
	=====	