

FACHC Legislative Update April 25, 2008

A plan to utilize some of the state's "rainy day" funds will apparently save two Medicaid health programs that serve some 40,000 of Florida's most at-risk citizens. In an effort to trim approximately another billion from the state budget, dozens of programs were scheduled for a reduction. However, as leaders prepared this week to discuss potential reductions, Senate President Ken Pruitt and House Speaker Marco Rubio received more than 16,000 petitions from residents of Florida requesting they save the Medically Needy and Medicaid/Aged and Disabled programs by utilizing reserve funds. On Thursday, the Legislature delivered a piece of good news to providers and recipients of those services. Health Care Chairmen, Sen. Durell Peaden and Rep. Aaron Bean, agreed to utilize \$300 million from the state's \$2 billion Lawton Chiles Endowment fund to cover the Medically Needy and Medicaid Aged and Disabled programs. The "rainy day" fund was created in 1999 to invest some of the money Florida won in settling a lawsuit with cigarette/tobacco manufacturers.

A significant factor in how the State of Florida sets its health care and Medicaid spending plan in particular is the fact that the state could forfeit \$280 million in federal matching funds if they chose to carry out the state Medicaid cuts. Because for every \$1 the state cuts from general revenue Medicaid funding, it loses \$1.27 in federal funding for Florida's Medicaid programs.

This infusion of cash keeps alive the state's Medically Needy program and Medicaid Aged and Disabled coverage, which had been included in about \$1 billion in proposed cuts to health and human services programs. The Medically Needy program serves approximately 20,000 of the state's the uninsured 'working poor' and the Medicaid Aged and Disabled program covers approximately 24,000 elderly and disabled low-income residents. If these programs were killed, perhaps as many as 44,000 Floridians who would have lost access to health care if these reserve funds were not used.

As far as the final state budget, the legislative Budget Conference Chairs, Speaker and President expect to finalize most budget items by this weekend. Both the House and Senate plan to vote on a final budget next week, which is also the last week of the 2008 Regular Session. The Legislature has reduced total spending several billion dollars. However, this is probably a one-time fix. 2009 will probably entertain the same type of reduction discussions. What Florida needs is a healthy economy. Florida had one of the strongest economies of any state through the 1990s and in the first half of this decade. A growing and vibrant economy is the solution, not another year of utilizing reserve funds.

As far as other potential reductions to the Medicaid Services portion of the budget is yet to be known. There were several issues that could impact some FQHCs. Those final budget decisions will be made known next week. We have presented a strong argument to keep FQHCs in a good position when it comes to reimbursement issues.

One issue we have worked on is a proposed reduction in the Medipass case management fee. Currently, the fee is \$3 and the proposed Senate cut is down to \$2. A House proposal reduced it to \$1.50. Travis Blanton spoke with Travis Coker about a potential "carve out" for the FQHCs. After meeting with some key legislators, the most important action was to get a feel for how much this "carve out" would cost the state. The inclusion of such a "carve out" seems improbable given the groups that are impacted. However, legislators did ask for the impact in terms of dollars at health centers. Regrettably only half of FACHC members responded with impact information. Without a price and legislators want to know exactly how much items cost, it is hard to sell that idea. With the favorable situation FQHCs have been given in terms of LIP dollars, we placed our focus on the LIP. We are clear about the impact these fees have on our centers bottom lines and we will see how it runs this year.

With regard to the health care budget, and specifically FQHCs, the Low Income Pool (LIP) distribution proposal has been released by the Legislature and FQHCs were listed to receive the same level of funding. Again this week, legislative sources have indicated that FQHCs are in the budget at the same levels as they were two weeks ago when the House and Senate proposals were released. This is significant because most other recipients are slated for significant decreases.

FACHC has demonstrated to legislators how effective FQHCs have been in utilizing LIP funds to expand access to care, but your legislators need to hear from their local FQHC CEOs, Board Members and patients. Health centers are an integral part of the state healthcare safety-net, but you can never remind the decision-makers of that too often.

The Florida House budget passed April 10, 2008 may be viewed at:

<http://www.myfloridahouse.gov/FileStores/Adhoc/Appropriations/gaa/2008-House/bill/pdf/h5001e1.pdf>

The Florida Senate Budget passed on April 9, 2008 may be viewed at:

<http://www.flsenate.gov/data/session/2008/Senate/bills/billtext/pdf/s2900e1.pdf>

In terms of substantive (non-budget related) legislation, FACHC is tracking more than 100 bills. Many bills are not looking good to progress through the process due to not getting on the agenda for a committee reference. Keep in mind that one way to kill a bill is to give it more than three committee references and it not making through all the process before the 60 day session ends. Below is a slate of some bills that FACHC is tracking. These are bills that either directly or indirectly impact community health centers. Despite some bills not moving in one chamber, it is possible that floor amendments may paste in portions of other bills if determined they are “related” by statute citation or if it is under the “single subject rule” determined by the Rules Chairman of each chamber.

HB 461 by Rep. Patronis – relating to Health Flex Plans [passed in the House 107–2...in Senate Messages](#)

Note: Senate companion **SB 1022** by Sen. Peaden [on Senate calendar](#)

FACHC supports these bills. Both bills expand health flex plan eligibility from 200 to 300 percent of the federal poverty level expanding the pool of Medicaid eligibles.

HB 637 by Rep. Grimsley – relating to Electronic Health Records [passed in the House 109–0...in Senate Messages](#)

Note: Senate companion SB 1998 by Sen. Ring [thru Govt Operations... referred to HHS Appropriations](#)

FACHC supports these bills. Both create an Electronic Health Record (EHR) Advisory Council and names two spots for FQHC representatives, and it provides a source of matching grant funding for EHR development for FQHCs.

HB 691 by Rep. Zapata – relating to Medicaid Recipients with Psych Disabilities [on House Special Order calendar](#)

Note: related to **SB 846** by Sen. Rich - relating to Medicaid Recipients with Psych Disabilities [thru Children, Families and Elder Affairs... referred in HHS Appropriations](#)

HB 1429 by Rep. Gardiner – relating to substance abuse and mental health services [passed House 1115-2... now in Senate Messages](#)

Note: related to **SB 2626** by Sen. Storms [to HHS Appropriations... now to full Senate vote](#)

HB 1437 by Rep. Zapata – relating to access to care [has not moved – has 2 references](#)

Note: related to **SB 2316** by Sen. Wilson – relating to access to care [has not moved – has 5 references](#)

FACHC supports these bills. Both bills provide opportunities for increasing access to care in Dade County.

SB 2760 by Sen. Peadar – relating to dentistry **passed out of Senate... now in House Messages**

Note: SB 1367 by Rep. Jordan – relating to dentistry **has not moved**

FACHC supports these bills. Both bills provide an avenue to increase dental services to many underserved populations and specifically names FQHCs as one of the “community service programs” to meet the need. The bills create examination requirements, license renewal requirements, and license revocation requirements for a community-service dental license. The bills require the Board of Dentistry to grant a community-service dental license to practice dentistry in community-service settings if an applicant meets certain educational and practice standards. This bill was one of Gov. Crist’s health care initiatives.

FACHC will pursue a strong effort of health center supporters to communicate how elected officials can help us reach our objective of expanding care to more residents of Florida. The more than 16,000 petitions received by the Speaker and Senate President this week are the result of a coordinated campaign by Medically Needy and Medicaid/Aged and Disabled program advocacy groups. Florida FQHC patients and supporters need to begin the grassroots development for the future. Florida FQHCs serve more than 700,000 patients/residents, many could be utilized for this type of political action in the future.

We urge FQHC supporters to make regular visit to FACHC’s Legislative webpage to keep abreast of the latest news... this will be your portal for up-to-date information on what we are working. Phone calls, faxes and emails are needed *from supporters* to help us achieve our goals. Please contact Travis Coker – tcoker@fachc.org if you have questions or wish to provide a grassroots contact for your health center.

To view any legislative bill of either chamber... go to ... <http://www.myfloridahouse.gov/>