



FDA DENTAL BILL PASSES ON THE HOUSE FLOOR

The House this week voted unanimously on the House floor for the passage of **CB/HB 185** by Rep. Matt Hudson (R-Naples). The bill now goes to Senate messages. **CS/SB 702** by Sen. Don Gaetz (R-Ft. Walton Beach) was heard on the Senate floor on second reading. The FDA anticipates that when the Senate reconvenes they will take up the House bill in lieu of the Senate bill and pass the House bill off the Senate floor to be sent to the governor for final approval.

NO CUTS TO THE ADULT DENTAL MEDICAID PROGRAM

The House and Senate Health and Human Services Appropriations Committee completed their sub-group committee work this week and put forth their 2009-2010 budget recommendations. The budget process is now underway and both chambers will have their respective sub-group budgets combined and ready by Wednesday of next week in preparation for budget conference. **The House and Senate maintained the adult dental Medicaid program**, as well as restored the Medically Needy and Medicaid Aged and Disabled (MEDs AD) programs. Neither budget includes a fee increase recommendation for any Medicaid providers. Specifically, the following issues are included in either the House or Senate budget recommendations:

KidCare Program

- mandates dental coverage and requires that coverage include services necessary to prevent disease and promote oral health (this is a requirement under the new federal CHIP legislation);
- revises the quality assurance and access standards in the Florida KidCare program by requiring the same safeguards employed in Medicaid programs be employed with regards to managed care entities, enrollment brokers and managed care organizations; and
- requires payments for services to federally qualified health centers and rural health clinics to be reimbursed using the Medicaid prospective payment.

Adult Vision Services

- places a limit on vision services for adult Medicaid beneficiaries. Adult Medicaid

beneficiaries are limited to one pair of eyeglass frames every two years and one pair of lenses every 365 days.

County Health Departments

- reduces reimbursement for county health department Medicaid rates by 1.5% based on fiscal year 2009-2010 anticipated spending; and
- redirects FTE positions in the county health department that were originally funded through the general appropriations act to now be funded through the county health department trust funds.

Intermediate Care Facility Quality Assessment

- creates a quality assessment to be imposed on privately operated intermediate care facilities (nursing homes);
- requires AHCA to calculate the assessment on an annual basis;
- specifies the purpose and priority order of the assessment;
- establishes requirements for reporting and collecting the assessment;
- specifies the circumstances in which the quality

assessment shall terminate and that AHCA shall discontinue the collection of the assessment;

- provides sanctions against facilities for not paying assessment timely; and
- allows AHCA to seek federal approval to implement the act and provide AHCA with rulemaking authority.

Community Dental Services for Developmentally Disabled

- continues funding for the community dental services program to treat developmentally disabled clients through institutional dental providers because of shortage of these providers in communities.

Community Smiles

- provides funding for Community Smiles to partner with Miami Children's Hospital to implement a Pediatric Dental Residency program.

Fluoridation

- maintains the current funding for the DOH fluoridation program.

Florida Senior Care

- repeals AHCA's authorization to implement an integrated fixed payment service delivery system (Florida Senior Care) in Area 7 (Orange, Osceola, Seminole and Brevard Counties) and Area 11 (Miami-Dade and Monroe Counties) of AHCA for Medicaid recipients age 60 and older.

Provider Service Networks in Medicaid Reform

- delays the conversion of provider service networks operating in reform counties under a fee-for-services/shared cost saving model to a capitation model from September 1, 2009 until September 1, 2011, the duration of the initial Medicaid reform waiver.

Expanded Fraud and Abuse Recoupment

- establishes two pilot projects relating to home health services to combat an increase in fraud and abuse relating to Medicaid-enrolled home health agencies. Miami-Dade County is designated as the health care fraud area of special concern.

In developing their budgets, both chambers used federal stimulus funding to help fill the budget holes. The Senate is considering generating additional revenues for the state by looking at \$1-per-pack increase for cigarettes and a \$1-per-ounce charge on all other tobacco products, from chewing tobacco and snuff to cigars. The House is not as receptive to increasing the cigarette tax as a viable revenue source for the state and does not support raising taxes. Both chambers are still in the process of reviewing sales tax exemptions to determine if any should be repealed to help generate additional state funds. The Legislature will have a lot to take into consideration as it prepares for budget conference that is scheduled to start the week of April 13. The FDA will continue to monitor the budget closely.

MIAMI-DADE COUNTY PILOT PROGRAM FOR CHILDREN DENTAL SERVICES

There is currently a pilot program for children dental services in Miami-Dade County that was implemented in 2004. Only one dental managed care company was awarded a contract between AHCA to provide these services. Recently, another dental managed care company submitted an application to become a provider in Miami-Dade County for children dental services, which would provide competition in the area.

As the Legislature prepares its budget recommendations, the House has included proviso language in its budget that states that AHCA "is authorized to provide Medicaid children enrolled in the

Medicaid Prepaid Dental Health Program in Miami-Dade County with a choice of at least two licensed managed care dental providers, who shall experience in providing dental care to Medicaid or Title XXI enrollees, and who meet all standards and requirements of the agency." The language requires that there must be more than one dental managed care provider in the area which allows the families more option for services. This language is not in the Senate budget. The FDA is supportive of competition in this area.

HEALTH CARE CLINIC ESTABLISHMENT PERMIT UPDATE

During the 2008 session, the health care clinic establishment permit was created as an attempt to allow corporate entities to purchase and own prescription drugs as a part of the regulation of drugs and devices in chapter 499, Florida Statutes. This law requires the tracking of prescription drugs from the manufactures to the end-users.

The FDA is supporting additional language making it clear that this permit is optional and not required as a condition of ordering prescription drugs. Dentists are allowed by law to order prescription drugs through their dental license number. The law that passed in 2008 had that exemption, but it needs to be clarified. There are several bills moving this session that include this issue.

HB 7095 by the House Health Care Regulation Policy Committee, will go straight to the floor for debate and action. This bill keeps the present permit in place, but will include the FDA's clarifying language through an amendment agreed to by House staff stating that it doesn't matter if a corporate entity pays for the prescription drugs, as long as they are being ordered through their dental license number.

CS/SB 1144 by Sen. Durell Peaden (R-Crestview) passed out of the Senate Commerce Committee this week. This bill also keeps the permit in place and attempts to clarify the optional nature of the permit. However, the FDA still wants additional language included in the bill that will address the dentists' specific issue. Sen. Peaden said he will add it in his Health and Human Services Committee which is the next committee stop.

CS/SB 574, by Sen. Don Gaetz was heard on the Senate floor on second reading this week and is set for final Senate action on third reading the next time the Senate meets on the floor. This bill eliminates the permit and replaces it with a simple registration, which only costs \$25, instead of the \$255 permit.

Any of these bills will make the current situation better and the FDA will continue to fight for dental specific issues to be addressed.

DIRECT PAYMENT OF BENEFITS TO PROVIDERS UPDATE

On Tuesday, March 31, **HB 855** by Rep. Marcelo Llorente (R-Miami) unanimously passed out of the House General Government Policy Council after much debate. This was the second committee stop for the controversial bill.

HB 855 requires managed care organizations to accept a valid assignment of benefits which will consequently allow hospitals, licensed ambulance providers, physicians and dentists to receive payment for services rendered directly from the insurer rather than from the patient. This measure will also allow providers to spend less time on paperwork and tracking down payments, and more time on patient care. Health insurance companies argue that this bill will dismantle their ability to negotiate with providers to participate in managed care networks.

HB 855 has two more committee stops before it reaches the House floor. The senate companion bill, **SB 1122** by Sen. Gaetz, will be heard on Monday, April 6, in the Senate Banking and Insurance Committee. The FDA will continue to monitor these bills.

ELECTRONIC TRACKING OF CONTROLLED SUBSTANCES

As detailed in the last *Capital Report*, there are bills moving this session that would require the electronic tracking of all controlled substances being dispensed in Florida. The reporting requirement would fall on the dispenser of the drugs, i.e., the pharmacy or dispensing practitioners.

HB 897 by Rep. Marcelo Llorente (R-Miami) passed out of the Health and Family Services Policy Council this week, and **CS/CS/CS/SB 462** by Sen. Mike Fasano (R-New Port Richey) passed out of the Governmental Oversight and Accountability Committee. Both of these bills have one remaining appropriation committee stop before being debated on the floor.

The House and Senate versions are still quite different in detail, but there is a compromise version being discussed behind the scenes. It looks like something may become law this session, but may not be effective until late 2010. FDA will continue to monitor these bills.

ELECTRONIC HEALTH RECORDS

The "shovel ready" bills, as described in detail in last week's *Capitol Report*, moved forward once again this week. **CS/CS/SB 162**, by Sen. Jeremy Ring (D-Margate) passed out of the Governmental Oversight and Accountability Committee. This bill and **CS/HB 1097**, by Rep. Denise Grimsley (R-Sebring) are designed to be ready for federal stimulus dollars to be accepted by Florida.

Both bills create the Florida Electronic Health Records Exchange Act to facilitate the exchange of patient medical records between health care entities. They create universal patient release forms and establish guidelines for their use. They also require the Agency for Healthcare Administration (AHCA) to operate an electronic medical records adoption loan program, which is specifically subject to available funds provided by the federal government. There may be many strings attached to the utilization and access to these loan monies, but Florida is still waiting on details from the federal government.

MEDICAL QUALITY ASSURANCE (MQA) BILL PASSES COMMITTEE

Sen. Thad Altman (R-Melbourne) filed **CS/SB 2620** on behalf of The Department of Health's (DOH) Medical Quality Assurance Division. This bill was heard and passed out of the Senate Health Regulation Committee this week.

Section 9 of the bill troubled the FDA as it attempted to address boards within MQA that have a deficit and are at their statutory fee cap. See language below:

Notwithstanding any other provision of law, when a profession is in a deficit, the board, or the department if there is no board, shall increase fees to satisfy the requirements of subsection (1).

After meeting with Sen. Altman, a former FDA legislator of the year as a House member, he understood our concern and drafted an amendment to remove the above language from the bill. The amendment passed despite the objections of the DOH. The FDA thanks Sen. Altman for his efforts.

The FDA would prefer to see and is on record as supporting the present fee cap of \$300 being raised to \$500, instead of giving this opened ended approach that has no upper limit or ceiling.

Dentists recently (2008 renewal) agreed to a \$250 assessment over and above the \$300 renewal fee to get the Board of Dentistry out of deficit. The FDA supports a strong regulatory board and wants them to have the proper resources to regulate the profession; however, the FDA could not agree with the approach contained in **CS/SB 2620**. The House version of this bill has not been heard by any committee.

CIGARETTE TAX BILL MOVES IN THE SENATE

CS/CS/SB 1840 by Sen. Ted Deutch (D-Delray Beach) passed unanimously out of the Senate Finance and Tax Committee on Tuesday, March 31. The bill will be heard in the Senate Policy & Steering Committee on Ways and Means on Tuesday, April 7. There are several related bills in the House and the Senate but at this time; however, **CS/CS/SB 1840** is the only bill that has been heard in a committee.

The state of Florida is experiencing a major decline in general revenue and is looking for ways to increase revenue to fund state programs. **CS/CS/SB 1840** adds a \$1 per pack surcharge to all cigarettes and \$1 per ounce for cigars and smokeless tobacco products. It is estimated that revenue generated by this new tax will exceed \$900 million in 2009-2010 and would be recurring. The bill directs that all revenue from the surcharge be deposited into the Medicaid program.

At this time, support for a tobacco tax increase is more widespread in the Senate than in the House. FDA staff will continue to monitor **CS/CS/SB 1840** and related bills.

REDUCING MEDICAID FRAUD AND ABUSE UPDATE

CS/CS/SB 1986 by Sen. Gaetz aims at cutting down on Medicaid fraud and abuse, specifically in Miami-Dade County where there are increasingly high numbers of unregulated home health agencies. Language in the bill also affects Medicaid providers by requiring AHCA to implement their authority to curtail fraud and abuse rather than just giving them the option to exercise its authority. See last week's issue of *Capital Report* for examples of the authorized requirements.

As reported in last week's *Capital Report*, **CS/CS/SB 1986** passed out of the Senate Health Regulation Committee and passed this week in the Senate Criminal Justice Committee. The bill is scheduled to be heard in the Senate Judiciary Committee on Monday, April 6. FDA staff will continue to monitor this bill.

MEDICAID MEDICAL HOME PILOT PROJECT

PCB HFPC 09-01 was filed by Rep. Ed Homan (R-Temple Terrace) in an attempt to address access to care problems, reduce emergency room visits and collect Medicaid encounter data from AHCA and prepaid health plans. The bill creates a Medicaid medical home pilot project in Alachua and Hillsborough Counties. The pilot is based on a medical home concept with federally qualified health centers (FQHCs) coordinating with medical schools for specialty care and hospitals for inpatient services.

The medical home network will be financed through fee-for-service payments. Enrollment in the pilot consists of Medicaid patients receiving care at participating FQHCs. Additional enrollment will be built from participants subject to mandatory assignment based on a ratio of 50 percent for the medical home pilot and 50 percent to other managed care organizations.

Additionally, **PCB HFPC 09-01** directs AHCA to develop an encounter data system that prepaid health plans must comply with. The agency will collect financial and utilization data based on the encounter data system. The bill also directs AHCA to provide regular reports to the Governor and the Legislature on the financial status and trends affecting Medicaid

managed care plans in order to assess the overall viability of these plans. The bill creates a workgroup to assess the financial status of Medicaid managed care plans and develop recommendations for future policy changes.

On Wednesday, April 1, **PCB HFPC 09-01** passed out of the Health & Family Services Policy Council which Rep. Homan chairs. At this time, the bill has not been referenced to another committee; however, it is anticipated that it may be heard in the House Health Care Appropriations Committee due to the bill having a fiscal impact. FDA lobbyists will monitor this bill closely.

HEALTHY AND FIT FLORIDA ACT

In 2006, voters in Florida adopted Amendment 4 which created the Comprehensive Statewide Tobacco Education and Prevention Fund. This amendment required the state to create a comprehensive, statewide program consistent with the Centers for Disease Control's 1999 best practices. Monies used to implement this program stem from the Tobacco Settlement paid to the state of Florida in 2005. **HB 1471** by Rep. Sandy Adams (R-Oviedo) makes changes to this program and renames the statutes that implement the program to the "Healthy and Fit Florida Act." The bill requires the DOH to create state and community level programs that address the leading, preventable chronic disease risk factors of poor nutrition and obesity, tobacco use, sun exposure, and physical inactivity in order to reduce the occurrence of these diseases. One component of the bill requires DOH to promote regular health visits during a person's lifetime, including dental exams in order to reduce the financial, social, and personal burden of chronic disease.

HB 1471 has passed out of two House committees and has two more committee stops before it reaches the House floor.

A similar bill, **SB 2614** by Sen. Gaetz has been filed in the senate and will be heard in its first committee of reference on Monday, April 6.

DENTISTS MEET WITH KEY LEGISLATORS

This week, several groups of dentists traveled to Tallahassee for visits with key legislators. The LCD Capitol Visits continued on Wednesday, April 1, and was attended by Dr. Larry Nissen, Dr. Jolene Paramore, Dr. Carlos Sanchez and Dr. Howell Goldberg. Dentists from the Northwest District Dental Association, Brevard County and Nova Southeastern University staff and dental students made the trip to Tallahassee to meet with legislators as well. Included in the groups were the following: Drs. Steve Bryan, George Dorris, David Russell, Eli White, Curtis Hill, John Bailey, Don Wilkin, Raj Rawal, Mark Romer, Mrs. G. Rawal, Mrs. Carol Nissen, Ms. Marjorie Bell and four dental students – Jill Edwards, Sal Colombo, Domenic Aloise and Kelly Munchel.

Meetings were scheduled with the following legislators or their staff: Sens. JD Alexander (R-Winter Haven), Thad Altman (R-Melbourne), Mike Fasano (R-New Port Richey), Don Gaetz (R-Ft. Walton Beach), Mike Haridopolos (R-Melbourne), Al Lawson (D-Tallahassee), Durell Peaden (R-Crestview); and Reps. Sandy Adams (R-Oviedo), Leonard Bembry (D-Madison), Elyn Bogdanoff (R-Ft. Lauderdale), Debby Boyd (D-High Springs), Marti Coley (R-Marianna), Steve Crisafulli (R-Merritt Island), Carl Domino (R-Juno Beach), Brad Drake (R-DeFuniak Springs), Greg Evers (R-Milton), Clay Ford (R-Pensacola), Erik Fresen (R-Miami), Bill Galvano (R-Bradenton), Alan Hays (R-Umatilla), Martin Kiar (D-Parkland), Debbie Mayfield (R-Vero Beach), Jimmy Patronis (R-Panama City), Ralph Poppell (R-Titusville), Ari Porth (D-Coral Springs), Michelle Rehwinkel Vasilinda (D-Tallahassee), Ray Sansom (R-Ft. Walton Beach), Baxter Troutman (R-Winter Haven), Nick Thompson (R-Ft. Myers), Perry Thurston (D-Ft. Lauderdale), John Tobia (R-Melbourne) and Ritch Workman (R-Melbourne).

Several other dentists were scheduled to travel to Tallahassee to participate in these meetings, but due to weather conditions and mechanic issues with the airplanes the following dentists were unable to attend: Drs. Tony Sidor, Gerald Bird, Michelle Dorsey, Drew Johnson, Nicole Stevens, Mike Fowler, Lance Grenevicki, Ilse Berube, Ron Askeland, Robert Uchin, Hal Lippman and Mrs. Jerilyn Bird.

We would like to thank everyone who traveled to Tallahassee. As you can see, this group had a very productive day despite the rainy conditions that lasted throughout their trip. The FDA would like to thank you for your commitment and dedication to organized dentistry.

LEGISLATOR SPOTLIGHT

Rep. Alan Hays, a fellow dentist and FDA member (R-Umatilla), was elected to serve District 25 in the Florida House of Representatives in 2004 and re-elected subsequently. His district covers parts of Lake, Seminole and Volusia Counties. In 1999 Rep. Hays received the Crown Council Humanitarian Award for Dental Service in Third World Countries and in 2006 Rep. Hays was named the FDA's Legislator of the Year. He currently serves as a member on the following House committees: Government Operations Appropriations Committee (Chair), Insurance, Business & Financial Affairs Policy Committee (Vice Chair), Full Appropriations Council on General Government & Health Care, General Government Policy Council, Health & Family Services Policy Council, and Select Committee on Seminole Indian Compact Review.



Rep. Hays will be running for Senate District 20 in

2010. In years past, Rep. Hays has shown outstanding support for the FDA and the FDA has continuously supported him in his legislative efforts. His legislative contact dentist is Dr. John Bonner of Mount Dora.

LEGISLATOR QUOTE OF THE WEEK

"It's like the fox guarding the hen house."

A statement made by Rep. Hays during the testimony on **HB 855**, direct assignments of benefits, when an opponent of the bill, Blue Cross and Blue Shield, were assigned the task of stating how much it would cost the state of Florida to implement changes if this bill passed.

FLORIDA DENTAL ASSOCIATION
GOVERNMENTAL AFFAIRS OFFICE
118 E. Jefferson St. • Tallahassee, FL 32301
850.224.1089 • 800.326.0051 • Fax: 850.224.7058
• gao@floridadental.org

- Dan Buker, FDA Executive Director
- Joe Anne Hart, Director of Governmental Affairs
- Ron Watson, Lobbyist • Mary Edenfield, Lobbyist
- Christine Mortham, Administrative Assistant

LEGISLATIVE TRACKING CHART

(As of April 3, 2009)

✓ =Passed
 X =Defeated
 Φ=Not Referenced

H=House of Representatives
S=Senate
B=Bill

TP'D=Temporarily Postponed
CS=Committee Substitute

PRIORITY INITIATIVES SUPPORTED

ISSUE	COMMITTEE 1 ACTION	COMMITTEE 2 ACTION	COMMITTEE 3 ACTION	FLOOR ACTION	GOV'S ACTION
HB 185 –FDA Dental Bill	✓ CS Health Care Regulation Policy Committee	✓ Insurance, Business and Financial Affairs Policy Committee	✓ Health and Family Services Policy Committee	✓	
SB 702 – FDA Dental Bill	✓ Health Regulation Committee	✓ CS Banking and Insurance Committee	✓ Health and Human Services Appropriations	Rolled to third reading	
SB 574 – Purchase of Prescription Drugs	✓ CS Health Regulation Committee	✓ Health and Human Services Appropriations			
HB 855 – Direct Payment of Benefits	✓ Insurance, Business and Financial Affairs Policy Committee	✓ General Government Policy Council			
SB 1144 – Health Care Clinic Establishment Permit	✓ CS Health Regulation Committee				
PCB HCR 09-01 – Health Care Clinic Establishment Permit	✓ Health Regulation Committee				
SB 1122 - Direct Payment of Benefits	Banking and Insurance				

PRIORITY INITIATIVES OPPOSED

ISSUE	COMMITTEE 1 ACTION	COMMITTEE 2 ACTION	COMMITTEE 3 ACTION	FLOOR ACTION	GOV'S ACTION