

Legislative Link

A legislative update provided by the United Way of Florida, Inc.

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HEALTHY KIDS MATCH IN PLAY

Last Wednesday, the Senate Health, Aging & Long-Term Care Committee passed Senate Bill 622 by Senator Saunders. The bill eliminates the Healthy Kids required local match if funds are appropriated to replace the match. After extraordinary advocacy efforts by organizations throughout the state, and recognition by Senator Saunders and many legislators of significant problems caused by the match, this issue has proceeded further this session than ever imagined. In addition to SB 622, the House appropriations bill, which will be up for final passage this week, replaces the entire local match of about \$11.6 million with surplus funds that have accumulated in Healthy Kids coffers. It is a one-year, stopgap measure. Regardless, it appears at this time that the match will be addressed in some form or fashion this year – either being completely replaced with state funds, or modified to reflect the recommendations of the Healthy Kids Board of Directors (ranging from two percent to 10 percent, depending on a county's size.)

CHARITIES TO ADVERTISE FINANCIALS?

Senate Bill 1938 was heard last Wednesday by the Senate Agriculture and Consumer Services Committee, its only committee of reference in the Senate. It has no House companion at this time. The bill would require charitable organizations to make their annual financial returns available for public inspection between 10 days and 180 days after filing them, and to advertise their availability for public inspection in a daily newspaper of general circulation. Since current federal law already requires returns of charitable organizations to be available for inspection by the public at any time, this bill would basically require non-profits to pay the cost for advertising that fact, within a more tightly prescribed time period. Such a requirement would drain thousands of dollars from the coffers of charitable organizations, funds that might otherwise be used to provide direct services to individuals in need.

DON'T FORGET THE EARNED INCOME TAX CREDIT

Please continue to spread the word that low-income workers are eligible for the Earned Income Tax Credit - to claim the earned income tax credit on their federal income taxes whether they are single or married, or work full time or part time. The following credits are available:

- \$2,353 – for workers with one child in their home and a family income less than \$27,413
- \$3,888 – for workers raising more than one child and family income less than \$31,152
- \$353 – for workers between the ages of 25 and 64 who do not raise children in their home but have an income of less than \$10,380

For more information about the Earned Income Tax Credit, call 1/800/829-1040.



Helping all children succeed for life.
An initiative of the United Way of Florida,
Publix Super Market Charities, Inc. and
Bank of America



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MEDICAID ELIGIBILITY PROPOSED FOR REDUCTION IN HOUSE

The House Fiscal Responsibility Council has passed a bill that sets in stone – in Florida Statutes – significant changes to eligibility provisions in Florida's Medicaid Program. In years past, these issues have been addressed in the appropriations bill. However, the House has felt compelled to put them into statute, which will make them more difficult to change in future years. Among many other items, proposed Committee Bill 01-27:

- ◆ eliminates the requirement for Medicaid recipients to receive one-on-one counseling regarding choice among health care provider options;
- ◆ eliminates optional Medicaid coverage for adult dental, visual and hearing services;
- ◆ reduces eligibility for pregnant women from 185 percent to 150 percent of poverty;
- ◆ reduces eligibility for elderly and disabled individuals from 90 to 85 percent of poverty;
- ◆ reduces the number of state-paid days for hospital inpatient services (and requires counties to pay for an additional two days); and
- ◆ reduces hospital institutional provider rates by five percent.

The total budget impact of these reductions "saves" the state \$287.8 million. As reflected in the table below, the majority of "lost" funds are federal Medicaid dollars that are drawn down by state match.

STATE EXPENDITURES	STATE GENERAL REVENUE	FEDERAL MEDICAID MATCH TRUST FUNDS
Eliminate Adult Dental, Visual and Hearing	(\$13,813,905)	(\$23,175,280)
Reduce Eligibility for Pregnant Women from 185% to 150% of FPL	(\$14,743,307)	(\$19,600,533)
Reduce Eligibility for Elderly/Disabled from 90% to 85% of FPL	(\$37,924,632)	(\$87,682,906)

Favorite Country Song Titles

- ⊖ If I Can't Be Number One In Your Life, Then Number Two On You
- ⊖ I Sold A Car To A Guy Who Stole My Girl, But I t Don't Run So We're Even
- ⊖ If The Phone Don't Ring, You'll Know I t's Me
- ⊖ How Can I Miss You I f You Won't Go Away
- ⊖ I Keep Forgettin' I Forgot About You
- ⊖ I Liked You Better Before I Knew You So Well
- ⊖ I'm So Miserable Without You, I t's Like Having You Here
- ⊖ I've Got Tears I n My Ears from Lying On My Back Cryin' Over You

SCHOOL READINESS: TETHERED?

While there has been a great deal of discussion regarding how the 2001 Florida Legislature will address school readiness, one thing appears certain: the Partnership for School Readiness, together with school readiness funding, will be transferred to the Agency for Workforce Innovation (AWI). The major questions that have been raised revolve around the nature of this transfer.

At the beginning of session, there was a great buzz about the 160-page bills filed in the House and Senate to revise the school readiness statutes. As of last Friday, neither of the two bills (HB 977 and SB 1802) had been heard. However, the omnibus House and Senate bills that reorganize governance of Florida's entire education system, beginning July 1, 2001, contain Partnership transfer provisions, are quickly gaining speed.

Last Monday, the Senate Education Committee passed Senate Bill 2108 and on Wednesday the House Colleges and Universities Committee passed its companion bill, HB 1533. The bills transfer the Partnership to the Agency for Workforce Innovation (AWI) in identical fashion. Both are of great concern, for the following reasons:

- Because some politicians fear that funding school readiness services could ultimately result in the Legislature being mandated to provide such services, the legislation is clear that school readiness services "shall not be construed as part of the seamless K-20 education system", and that nothing in the School Readiness Act is intended to "create any obligation to provide publicly funded preschool programs or services beyond those authorized by the Legislature". This fear is one of the driving forces behind the Legislature's refusal to include school readiness within the Department of Education and to include it as part of the education overhaul.
- The Florida Partnership for School Readiness is assigned to AWI "for administrative purposes". However, AWI – not the Partnership - is required to prepare the plan for distribution and expenditure of school readiness funds.
- Once the plan for distribution and expenditure of school readiness funds is authorized by the Legislative Budget Commission, the funds will be transferred to AWI – not the Partnership - for distribution.
- The bills also require the Department of Education to implement the uniform school readiness screening instrument recommended by the Partnership and to incorporate school readiness data into the K-20 data warehouse for longitudinal tracking. While the Partnership is provided with "complete and full access" to this screening data at the student, school, district, and state levels, the information must also be available to state policymakers "to assess progress toward school readiness goals". Use of individualized and program-specific school readiness data by coalitions has been widely embraced to ensure that coalitions can work with local providers to improve their programs. However, it appears this data might also be used to drive state-level funding decisions. This could lead to an untenable situation where programs that accept the most at-risk students could be penalized for doing exactly what the school readiness legislation was intended to do – prepare at-risk children for success in school. It also departs from the community-based focus originally intended in the legislation.

The bills go on to pay lip service to the Partnership, highlighting that it is "charged with coordinating" school readiness services for at-risk children, with providing "unified leadership", for those programs, and with "focusing" on improving the educational quality of school readiness programs. However, with no statutory authority to implement its plan and distribute funds, the Partnership becomes merely a toothless lion within another state bureaucracy.

WHY THE FIGHT OVER GENERIC DRUGS?

To some, the battle in this year's Legislature over whether to limit the drugs – or types or amounts of drugs - Medicaid patients can receive is all about slowing the skyrocketing costs of prescription drugs. While this is indeed a driving force, much of the battle is about which drug manufacturer will make huge profits in Florida...

Current law requires Florida pharmacists to give customers the cheapest version of a drug unless the patient or doctor requests the brand name. But there is a list of eleven generic drugs that cannot be substituted by pharmacists in place of more expensive brand name drugs. Legislation has been filed that would remove five of those drugs from the list: Coumadin (for stroke prevention), Lanoxin and Quinaglute (for heart conditions), Dilantin (for asthma), and Slo-bid/Theodyr (for bronchitis and asthma). The doctor could still demand a brand name by specifying it on the prescription. Proponents of the legislation point out that it has potential cost savings of about \$40 million a year, much of which would go directly to senior citizens, an estimated 50 percent of whom currently pay for prescriptions out of their own pockets.

This is clearly a battle of big money. As an example, DuPont Pharmaceuticals makes nearly \$40 million in annual sales of Coumadin in Florida. A recent Florida Medical Association poll shows that about 90 percent of physicians prescribe Coumadin rather than its generic "equivalent", Warpharin. Since 1976, however, the US Food and Drug Administration has repeatedly cleared Warpharin as acceptable and safe. The maker of Warpharin, Barr Laboratories, contends that the FMA supports Coumadin because of large monetary contributions made by the huge pharmaceutical company to the Association.

While both the House and Senate have included about \$200 million in cuts to the Medicaid prescription budget, it is unclear how the Coumadin battle – and others – will end.

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