July 18, 2005

Dear Hospital Provider:

The Prepaid Mental Health Plan (PMHP) is a health plan licensed under Chapter 624, 636, or 641, Florida Statutes, to provide covered mental health services to MediPass enrollees. PMHPs have been operating in Area 1 (Escambia, Okaloosa, Santa Rosa, and Walton Counties) and Area 6 (Hardee, Highlands, Hillsborough, Manatee, and Polk Counties) for many years now, but will soon be expanding statewide. There will be one PMHP in each AHCA Medicaid Area.

Once a PMHP is implemented in your area, all covered mental health services for enrolled recipients must be prior authorized by the PMHP. Please see the enclosed fact sheet regarding services covered by the plan, services that may still be billed as fee-for-service, ineligible recipients, and psychiatric hospitalization and emergency services procedures.

Given the success of the pilot, we are expanding the program statewide, consistent with section 409.912(4)(b), Florida Statutes. Below is the proposed implementation schedule:

<table>
<thead>
<tr>
<th>AHCA Area</th>
<th>Counties</th>
<th>Request for Proposal Release Date</th>
<th>Prepaid Mental Health Care Plan Implementation Start Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Pasco, Pinellas</td>
<td>January 2005</td>
<td>August 2005</td>
</tr>
<tr>
<td>7</td>
<td>Brevard, Orange, Osceola, Seminole</td>
<td>January 2005</td>
<td>August 2005</td>
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<tr>
<td>3</td>
<td>Alachua, Bradford, Citrus</td>
<td>June 2005</td>
<td>January 2006</td>
</tr>
<tr>
<td>Counties</td>
<td>Months</td>
<td>Current</td>
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<td>----------------------</td>
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<tr>
<td>Columbia, Dixie, Gilchrist, Hamilton, Hernando, Lafayette, Lake, Levy, Marion, Putnam, Sumter, Suwannee, Union</td>
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<td>4</td>
<td>June 2005</td>
<td>January 2006</td>
<td></td>
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<tr>
<td>Baker, Clay, Duval, Flagler, Nassau, St. Johns, Volusia</td>
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<td></td>
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<td>11</td>
<td>August 2005</td>
<td>March 2006</td>
<td></td>
</tr>
<tr>
<td>Dade, Monroe</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>October 2005</td>
<td>May 2006</td>
<td></td>
</tr>
<tr>
<td>Charlotte, Collier, DeSoto, Glades, Hendry, Lee, Sarasota</td>
<td></td>
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<tr>
<td>9</td>
<td>October 2005</td>
<td>May 2006</td>
<td></td>
</tr>
<tr>
<td>Indian River, Martin, Okeechobee, Palm, St. Lucie</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>10</td>
<td>October 2005</td>
<td>May 2006</td>
<td></td>
</tr>
<tr>
<td>Broward</td>
<td></td>
<td></td>
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</tbody>
</table>

If you have questions, please call your local Medicaid office or Debby McNamara of my staff at (850) 414-0633.

Sincerely,

Thomas W. Arnold  
Deputy Secretary for Medicaid

TWA/mbv  
cc: Florida Medicaid Field Office Managers
Prepaid Mental Health Plan Fact Sheet

What is the Prepaid Mental Health Plan (PMHP)?
The PMHP is a health plan licensed under Chapter 624, 636, or 641, Florida Statutes, to provide covered mental health services to MediPass enrollees. The plan is paid a per member, per month capitation payment and is at full risk for covered services. There will be one PMHP in each AHCA Medicaid Area.

Services Covered by the Plan
- Community Mental Health Services
- Inpatient Psychiatric Care
- Outpatient Hospital Services
- Psychiatric Physician Services
- Mental Health Targeted Case Management

Services that Remain Billable on a Fee-for-Service Basis
- Psychotropic Medications
- Substance Abuse Treatment
- Behavioral Health Overlay Services (BHOS)
- Statewide Inpatient Psychiatric Programs (SIPP)
- Florida Assertive Community Treatment Programs (FACT)
- Comprehensive Behavioral Health Assessments
- Qualified Evaluator Services
- Long-Term Care Services

Persons who are Ineligible for Enrollment in the PMHP
- Recipients with both Medicaid and Medicare;
- Recipients living in an institutional setting;
- Recipients enrolled in Hospice;
- Recipients enrolled in the Medically Needy Program;
- Newly eligible recipients who have not yet chosen a health plan;
- SOBRA eligible pregnant women and presumptively eligible pregnant women;
- Individuals with major medical coverage;
- Recipients enrolled in a Medicaid HMO;
- Children listed in the DCF HomeSafeNet database.

Psychiatric Hospitalization and Emergency Services Procedures
- Pursuant to section 409.912,(4)(b), Florida Statutes, the plan must include all public mental health hospitals.

- If a hospital is out of the plan’s service area, the plan must reimburse the hospital for emergency services rendered to its enrollee at a rate negotiated with the hospital or physician for the provision of services or according to the lesser of the following (section 409.912(19), Florida Statutes):
  (a) The usual and customary charges made to the general public by the hospital or physician; or
  (b) The Florida Medicaid reimbursement rate established for the hospital or physician.

- Pursuant to 394.462, Florida Statutes, persons in need of emergency care must be taken to the nearest receiving facility. If this facility is not in the plan’s network but is within the service area of the plan, the facility must notify the plan within four hours of the person’s arrival. If the facility fails to notify the plan within four hours, the plan is obligated to pay only for the first four hours of treatment or evaluation. The plan must authorize or deny payment for continued stay within three hours of being notified of the person’s arrival.

- Outside of the plan’s service area, the plan is responsible for emergency and post-stabilization care services only. The facility must notify the plan within 24-hours of the person’s arrival at the facility.

- The plan must process claims for out-of-network care within 35 days.
Recipient Eligibility Program Codes on MEVS

C = CMS
D = DMO
H = HMO
M = MediPass
P = MediPass and PMHP
Q = PMHP
S = PSN
O = Other

Implementation Schedule

<table>
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<tr>
<td>2, 3, 4</td>
<td>June 2005</td>
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<tr>
<td>11</td>
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<td>March 2006</td>
</tr>
<tr>
<td>8, 9, 10</td>
<td>October 2005</td>
<td>May 2006</td>
</tr>
</tbody>
</table>

AREA | COUNTIES
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ONE  | Escambia, Okaloosa, Santa Rosa, Walton
TWO  | Bay, Calhoun, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Leon, Liberty, Madison, Taylor, Wakulla, Washington
THREE | Alachua, Bradford, Citrus, Columbia, Dixie, Gilchrist, Hamilton, Hernando, Lafayette, Lake, Levy, Marion, Putnam, Sumter, Suwannee, Union
FOUR | Baker, Clay, Duval, Flagler, Nassau, St. Johns, Volusia
FIVE | Pasco, Pinellas
SIX  | Hardee, Highlands, Hillsborough, Manatee, Polk
SEVEN | Brevard, Orange, Osceola, Seminole
EIGHT | Charlotte, Collier, Desoto, Glades, Hendry, Lee, Sarasota
NINE | Indian River, Martin, Okeechobee, Palm Beach, St. Lucie
TEN  | Broward
ELEVEN | Dade, Monroe