



JEB BUSH, GOVERNOR

ALAN LEVINE, SECRETARY

June 1, 2004

Dear Administrator:

Medicaid pays to reserve a bed in the nursing facility when a Medicaid-only resident is approved for the institutional care program (ICP) and goes into the hospital or on therapeutic leave. This is to advise nursing facilities of new legislation affecting payment for Medicaid bed hold days.

The General Appropriations Act (HB 1835) enacted by the Florida Legislature for FY 2004-2005 instructs Medicaid to change bed hold policy. Current policy as delineated in the Nursing Facility Services Coverage and Limitations Handbook states: "Medicaid will not pay for bed hold when a resident goes to the hospital or on home leave if 20 percent or more of certified Medicaid beds are available."

Effective July 1, 2004, the bed hold policy will change as follows: "Medicaid will not pay for bed hold when a resident goes to the hospital or on therapeutic leave if **5 percent** or more of certified Medicaid beds are available."

The methodology for determining occupancy will remain the same. The percent occupancy of Medicaid beds is determined based on the nursing facility's occupancy rate for the previous quarter of the year.

The Nursing Facility Services Coverage and Limitations Handbook will be revised to reflect this information. You can access the Handbook on the Internet at: www.floridamedicaid.consultec-inc.com/index.jsp

If a resident is unwilling or unable to make private payment to continue to hold the bed, the facility may discharge the resident when the bed hold days run out. However, a facility must readmit the resident to the first available Medicaid bed in a semi-private room, as specified in 42 CFR483.12(b)(3).

Please contact Sam Chaaban at 850-487-3028 should you have any questions.

Sincerely,

Steven A. Grigas
Acting Deputy Secretary for Medicaid

cc: Medicaid Area Office

