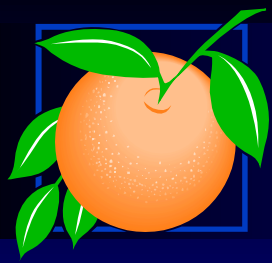


# ***PUBLIC HEARING***

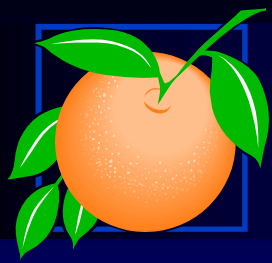
## **Hospitals Medicaid Reimbursement Local Provider Participation Fund Rate Resolution**

**September 26, 2023**



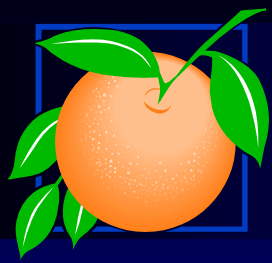
# Presentation Outline

- **Background**
- **Rate Resolution**
- **Letter of Agreement**
- **Requested Action**



# Presentation Outline

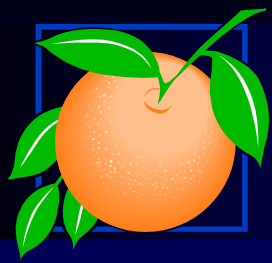
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# Background

## Medicaid Reimbursement

- Due to stagnant rates of Medicaid reimbursements, Florida Hospitals have faced challenges in providing millions of dollars of uncompensated care to persons who qualify for Medicaid
  - Historically Medicaid has typically only covered approximately 60% of costs of health care services provided to Medicaid patients.
  - Recent data shows that local hospitals incurred roughly \$470 million in uncovered Medicaid costs in a single year.

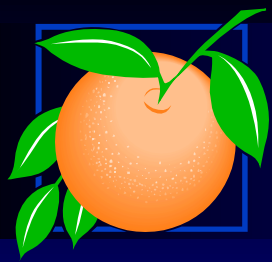


# Background

## Medicaid Eligibility

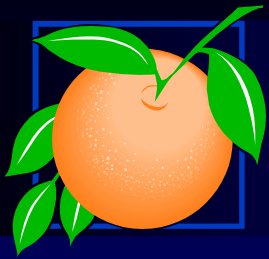
- Phone: (850) 300-4323  
Florida Relay 711 or TTY 1-800-955-8771  
Available 7:00 a.m. - 6:00 p.m., Monday-Friday  
<https://www.myflfamilies.com/services/public-assistance>

Direct Benefits to eligible :Children, Pregnant Women, Disabled, Deaf, Blind and Some Elderly



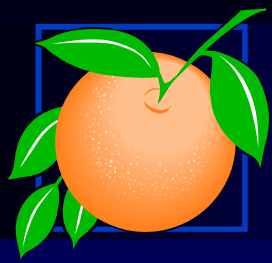
# Background

- In April of 2021, the Centers for Medicare and Medicaid Services (“CMS”) approved the Florida Agency for Health Care Administration’s (“AHCA”) proposal for a Statewide Medicaid Managed Care hospital directed payment program (DPP)
- The Directed Payment Program (DPP) is intended to help offset hospitals’ uncompensated Medicaid costs and improve quality of care provided to Florida’s Medicaid population
- Support provided to the hospitals translates to greater medical care for patients and opportunities for hospitals to further address community care gaps



# Background

- **BCC Approved Ordinance 2021-35 on August 24, 2021**
  - Authorizes a non-ad valorem special assessment to be imposed against private for-profit and not-for-profit hospital properties located within Orange County
  - Provides that proceeds be used only to benefit assessed hospital properties through enhanced Medicaid reimbursements for healthcare services provided to Medicaid-eligible population
  - Assessment does not financially impact the County or the County's residents

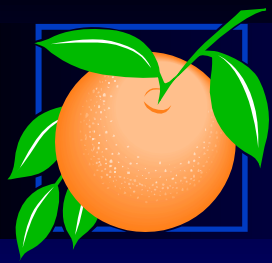


# Background

## Counties that have enacted ordinances to support DPP:

- Bay
- Brevard
- Broward
- Charlotte
- Citrus
- City of Jacksonville (Duval)
- Clay
- Collier
- Escambia
- Hernando
- Hillsborough
- Indian River
- Lake
- Leon
- Marion
- Miami-Dade
- Orange
- Osceola
- Palm Beach
- Polk
- Volusia

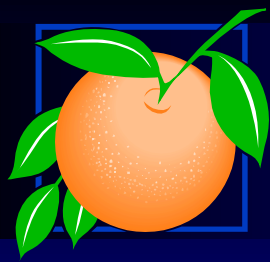




# Background

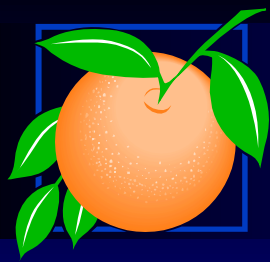
## Assessed Hospitals:

- Advent Health Orlando
- Aspire Health Partners
- Nemours Children's Hospital
- Orlando Health Central
- Orlando Health
- Select Specialty Hospital Orlando
- Central Florida Behavioral Health
- University Behavioral Center



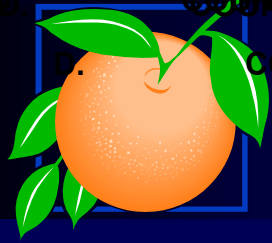
# First Year Collections (2021)

Hospital	IGT (Amount County Sent to State)	Federal Match Provided	Total Payment to Hospital (IGT + Match)
Advent Health	\$ 43,079,748	\$ 84,552,227	\$ 127,631,975
Orlando Regional Medical Center	41,686,316	81,817,350	123,503,667
Nemours	18,327,182	35,970,592	54,297,775
Central Florida Behavioral	3,503,834	6,876,942	10,380,776
Orlando Health - Health Central Hospital	2,663,420	5,227,469	7,890,889
University Behavioral Center	1,742,706	3,420,393	5,163,099
Lakeside	622,169	1,221,126	1,843,295
Select Specialty Hospital - Orlando (North Campus)	New in 2022	New in 2022	New in 2022
<b>TOTAL</b>	<b>\$ 111,625,375</b>	<b>\$ 219,086,099</b>	<b>\$ 330,711,476</b>



# Second Year Collections (2022)

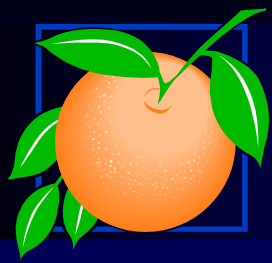
<b>Hospital</b>	<b>IGT (Amount County Sent to State)</b>	<b>Federal Match Provided</b>	<b>Total Payment to Hospital (IGT + Match)</b>
Advent Health	\$ 43,311,488	\$ 81,015,839	\$ 124,327,327
Orlando Regional Medical Center	40,912,575	76,528,578	117,441,153
Nemours	20,839,917	38,981,883	59,821,800
Central Florida Behavioral	3,121,517	5,838,921	8,960,438
Orlando Health - Health Central Hospital	2,763,803	5,169,801	7,933,604
University Behavioral Center	1,742,706	3,420,393	5,163,099
Lakeside	677,182	1,266,695	1,943,877
Select Specialty Hospital - Orlando (North Campus)	3,733	6,982	10,715
<b>TOTAL</b>	<b>\$ 113,372,921</b>	<b>\$ 212,229,092</b>	<b>\$ 325,602,013</b>



# Background

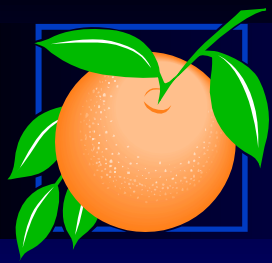
## Low Income Pool :

- Public Emergency Medical Transportation
- Community Health Centers, Inc.
- True Health Aspire Health Partners, Inc.
- Aspire Health Partners, Inc.



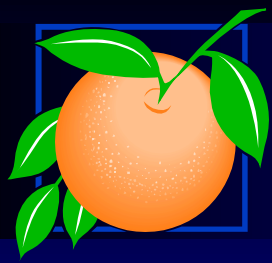
# Presentation Outline

- Background
- **Rate Resolution**
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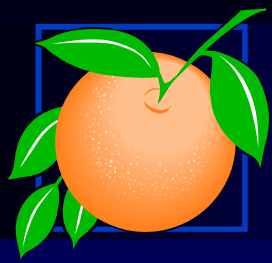
# Rate Resolution

- Adopted annually in accordance with Sec. 125.01, Florida Statutes and the Orange County Local Provider Participation Fund Ordinance, codified at Article XI, Chapter 25 of the Orange County Code of Ordinances
- Authorizes the Board to impose a special assessment against private for-profit and not-for-profit hospital
- The non-ad valorem special assessment shall be imposed, levied, collected, and enforced against Assessed Properties located within the County



# Rate Resolution

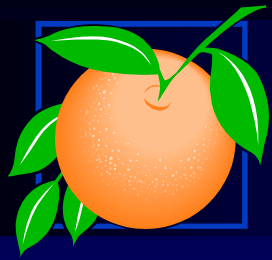
- Assessment is computed and assessed according to a formula established under federal regulations and derived from hospital cost reports and reports from AHCA
- Once imposed, the assessment constitutes a lien upon the assessed property equal in rank and dignity with liens of all state, county, district, or municipal taxes and other non-ad valorem assessments
- Failure to pay may lead to foreclosure, resulting in loss of title



# Rate Resolution

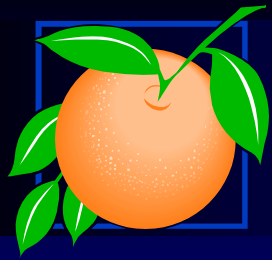
- Comptroller administers the special assessment
- Funds generated by the assessment are held in a separate fund, called the Local Provider Participation Fund (LPPF)
- Funds are only to be used to provide AHCA the non-federal share for Medicaid payments in support of hospitals serving Medicaid and low-income patients and to reimburse administrative costs (**not to exceed \$150K**) The Comptroller currently receives the \$150,000 to administer this program.





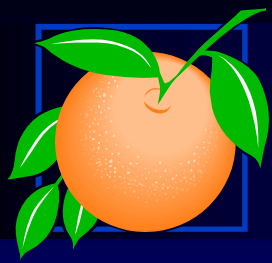
# Rate Resolution

- Federal regulations require the assessment to be:
  - Broad-based – applied to all providers within the County’s jurisdiction
  - Uniformly imposed – tax imposed at a uniform rate
- The Hospitals shall pay to the County the full assessment promptly upon the passing of this Resolution, but in no event later than December 31, 2023



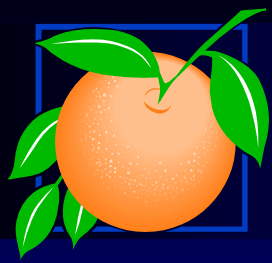
# Rate Resolution

- Assessment shall equal **2.18%** of hospital net patient revenue for each Assessed Property identified in the Non-Ad Valorem Assessment Roll
- There is a limit on the amount of federal match the State can pull down, which is why there is still a gap or unfunded amount that the hospital cover for Medicaid patients
- After DPP Program, Medicaid typically covers **83%** of the costs of health care services provided to Medicaid patients



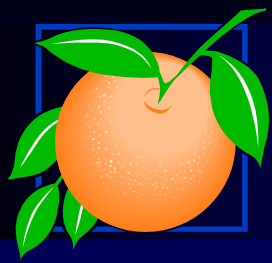
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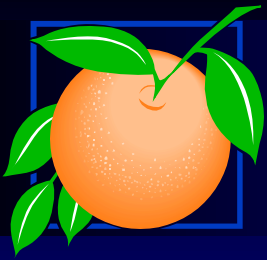
# Letter of Agreement

- **Between the Orange County LPPF and Region 7, State of FL, AHCA**
- **General Provisions: Intergovernmental Transfer (IGT) Not to exceed \$207,455,679.56**
- **Record Retention**
- **Monitoring**
- **Assignments & Subcontracts**



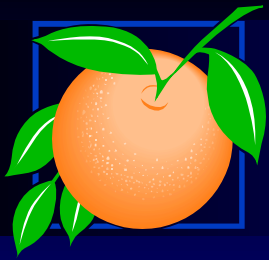
# Presentation Outline

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# Requested Action

- **Approval of Consent Agenda Item D8 – Budget Amendment #23-54**
  - Budget Amendment Necessary to increase the LPPF budget established for FY 22/23 by \$41,836,132 to pay the total amount of \$207,355,680 that will be collected by the county through the LPPF assessments to the AHCA.
  - The State will receive the federal match and make payments to Medicaid managed care organizations providing healthcare service to Medicaid, Indigent and uninsured members of the Orange County Community.



# Requested Action

- **Approval of the Rate Resolution, Assessment Roll, and Letter of Agreement for the Local Provider Participation Fund**



**Hospitals**  
**Local Provider Participation Fund**  
**Rate Resolution**