

BCC Mtg. Date: October 18, 2016



Interoffice Memorandum

AGENDA ITEM

October 13, 2016

TO: Mayor Teresa Jacobs
-AND-
Board of County Commissioners

FROM: Christopher Hunter, M.D., Ph.D., Director
Health Services Department

A handwritten signature in black ink, appearing to be "CH", located to the right of the "FROM:" line.

SUBJECT: LIP/DSH Letters of Agreement
Consent Agenda – October 18, 2016

For the past 16 years, the Intergovernmental Transfer Program (IGT) has been the primary funding mechanism for Orange County's Primary Care Access Network (PCAN). The IGT program allows the county to draw down additional state and federal dollars for PCAN by participating in the Medicaid Low Income Pool (LIP) program and Disproportionate Share Hospital (DSH) program. LIP/DSH funds are intended to assist in providing health services to uninsured, underinsured and Medicaid patients.

Letters of Agreement (LOA) between Orange County and Florida's Agency for Health Care Administration (AHCA) must be executed for hospitals receiving LIP/DSH funds. The LOAs specify the allocation of these funds to Orlando Health (\$2,076,536), Health Central (\$409,905), and Florida Hospital (\$5,196,967).

We are requesting approval to execute Letters of Agreement between Orange County and AHCA, under which Orange County will remit to the state \$7,683,408. The funds transferred to AHCA by the County will allow for the provision of medical care to the uninsured through Orange County's PCAN program.

ACTION REQUESTED: Approval and execution of Hospital LIP/DSH Letters of Agreement by and between Orange County and the State of Florida, Agency for Healthcare Administration in the amounts of \$2,076,536 (Orlando Health), \$409,905 (Health Central), and \$5,196,967 (Florida Hospital) for a total of \$7,683,408 through the Intergovernmental Transfer Program. The Intergovernmental Transfer Program is the primary funding mechanism for Orange County's Primary Care Access Network (PCAN). **(Medical Clinic)**

Attachments

Cc: George A. Ralls, M.D., Deputy County Administrator
John Goodrich, Assistant to the Director, Health Services Department
Lourdes Markham, Health & Family Services Administrator, Medical Clinic Division

APPROVED BY ORANGE
COUNTY BOARD OF COUNTY
COMMISSIONERS

BCC Mtg. Date: October 18, 2016

Hospital LIP/DSH Letter of Agreement

THIS LETTER OF AGREEMENT (LOA) made and entered into in duplicate on the 15th day of August 2016, by and between Orange County (the "**County**") on behalf of Orlando Health, and the State of Florida, **Agency for Health Care Administration** (the "**Agency**"), and is entered into for good and valuable consideration the receipt and sufficiency of which is acknowledged.

DEFINITIONS

"Charity care" or "uncompensated charity care" means that portion of hospital charges reported to the Agency for which there is no compensation, other than restricted or unrestricted revenues provided to a hospital by local governments or tax districts regardless of the method of payment, for care provided to a patient whose family income for the twelve (12) months preceding the determination is less than or equal to two-hundred (200) percent of the federal poverty level, unless the amount of hospital charges due from the patient exceeds twenty-five (25) percent of the annual family income. However, in no case shall the hospital charges for a patient whose family income exceeds four times the federal poverty level for a family of four be considered charity.

"Disproportionate Share Hospital (DSH)" means a hospital that has a Medicaid inpatient utilization rate of not less than one percent.

"Fund" means a sum of money or other liquid assets paid to the Agency in order to provide for the LIP or DSH program.

"Intergovernmental Transfers (IGTs)" means transfers of funds from a non-Medicaid governmental entity (e.g., counties, municipalities, hospital taxing districts, providers operated by state or local government) to the Medicaid agency.

"Low Income Pool (LIP)" means providing government support for safety-net providers for the costs of uncompensated charity care for low-income individuals that are uninsured. Uncompensated care includes charity care for the uninsured but does not include uncompensated care for insured individuals, "bad debt," or Medicaid and CHIP shortfall. The definition also excludes the estimated impact on uncompensated care that would result from Medicaid expansion, or that has resulted from Marketplace coverage, under the Affordable Care Act.

"Medicaid" means the medical assistance program authorized by Title XIX of the Social Security Act, 42 U.S.C. §§ 1396 et seq., and regulations thereunder, as administered in Florida by the Agency.

"Payment" means performance of a duty, promise, or obligation by the transfer of funds, check or electronic transfer, to the Agency in order to provide for the LIP or DSH program.

A. GENERAL PROVISIONS

1. Per House Bill 5001, the General Appropriations Act of State Fiscal Year 2016-2017, passed by the 2016 Florida Legislature, the County and the Agency agree that the County will remit IGT funds to the Agency in an amount not to exceed the total of **\$1,553,156.00**.
 - a. The County and the Agency have agreed that these IGT funds will only be used to increase the provision of health services for the charity care of the County and the State of Florida at large.
 - b. The increased provision of charity care health services will be accomplished through the following Medicaid programs:
 - i. The Disproportionate Share Hospital (DSH) program.
 - ii. Medicaid Low Income Pool (LIP) payments to rural hospitals, trauma centers, specialty pediatric hospitals, primary care services and other Medicaid participating safety-net hospitals based on charity care.
2. The County will **pay** IGT funds to the Agency in an amount not to **exceed** the total of **\$1,553,156.00**. The County will transfer payments to the Agency in the following manner:
 - a. The first quarterly payment of up to one fourth of the total amount for the months of July, August, and September is due upon notification by the Agency.
 - b. Each successive payment of up to one fourth of the total amount is due as follows: November 30, 2016, March 1, 2017 and May 1, 2017.
 - c. The Agency will bill the County when each quarterly payment is due.
3. Attached are the DSH or LIP schedules reflecting the anticipated annual distributions for State Fiscal Year 2016-2017.
4. The County and the Agency agree that the Agency will maintain necessary records and supporting documentation applicable to charity care health services covered by this LOA.
 - a. Audits and Records
 - i. The County agrees to maintain books, records, and documents (including electronic storage media) pertinent to performance under this LOA in accordance with generally accepted accounting procedures and practices, which sufficiently and properly reflect all revenues and expenditures of funds provided.

- ii. The County agrees to assure that these records shall be subject at all reasonable times to inspection, review, or audit by state personnel and other personnel duly authorized by the Agency, as well as by federal personnel.
- iii. The County agrees to comply with public record laws as outlined in section 119.0701, Florida Statutes.

b. Retention of Records

- i. The County agrees to retain all financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to performance under this LOA for a period of six (6) years after termination of this LOA, or if an audit has been initiated and audit findings have not been resolved at the end of six (6) years, the records shall be retained until resolution of the audit findings.
- ii. Persons duly authorized by the Agency and federal auditors shall have full access to and the right to examine any of said records and documents.
- iii. The rights of access in this section must not be limited to the required retention period but shall last as long as the records are retained.

c. Monitoring

- i. The County agrees to permit persons duly authorized by the Agency to inspect any records, papers, and documents of the County which are relevant to this LOA.

d. Assignment and Subcontracts

- i. The County agrees to neither assign the responsibility of this LOA to another party nor subcontract for any of the work contemplated under this LOA without prior written approval of the Agency. No such approval by the Agency of any assignment or subcontract shall be deemed in any event or in any manner to provide for the incurrence of any obligation of the Agency in addition to the total dollar amount agreed upon in this LOA. All such assignments or subcontracts shall be subject to the conditions of this LOA and to any conditions of approval that the Agency shall deem necessary.


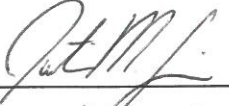
- 5. The County and the Agency agree that any modifications to this LOA shall be in the same form, namely the exchange of signed copies of a revised LOA.

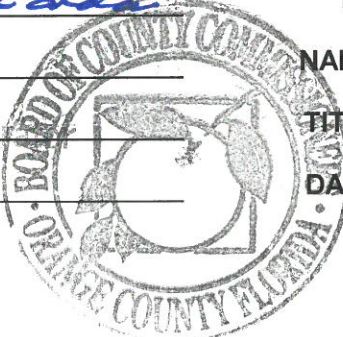
6. The County confirms that there are no pre-arranged agreements (contractual or otherwise) between the respective counties, taxing districts, and/or the providers to re-direct any portion of these aforementioned charity care supplemental payments in order to satisfy non-Medicaid, non-uninsured, and non-underinsured activities.
7. The County agrees the following provision shall be included in any agreements between the County and local providers where IGT funding is provided pursuant to this LOA. "Funding provided in this Agreement shall be prioritized so that designated IGT funding shall first be used to fund the Medicaid program (including LIP or DSH) and used secondarily for other purposes."
8. This LOA covers the period of July 1, 2016 through June 30, 2017 and shall be terminated June 30, 2017.
9. This LOA may only be amended upon written agreement signed by both parties.
10. This LOA may be executed in multiple counterparts, each of which shall constitute an original, and each of which shall be fully binding on any party signing at least one counterpart.

LIP/DSH Local Intergovernmental Transfers (IGTs)	
Program / Amount	State Fiscal Year 2016-2017
LIP Program	
DSH Program	\$1,553,156.00
Total Funding	\$1,553,156.00

WITNESSETH:

IN WITNESS WHEREOF, the parties have caused this page Letter of Agreement to be executed by their undersigned officials as duly authorized. This Agreement is not valid until signed and dated by both parties.

		HEALTH CARE ADMINISTRATION	
SIGNED BY:		SIGNED BY:	
NAME:	Ajit Lalchandani	NAME:	Justin M. Senior
TITLE:	County Administrator	TITLE:	Secretary
DATE:	10.18.16	DATE:	1/19/17



BCC Mtg. Date: October 18, 2016

Hospital LIP/DSH Letter of Agreement

THIS LETTER OF AGREEMENT (LOA) made and entered into in duplicate on the 11th day of October 2016, by and between Orange County (the "**County**") on behalf of Orlando Health, and the State of Florida, **Agency for Health Care Administration** (the "**Agency**"), and is entered into for good and valuable consideration the receipt and sufficiency of which is acknowledged.

DEFINITIONS

"Charity care" or "uncompensated charity care" means that portion of hospital charges reported to the Agency for which there is no compensation, other than restricted or unrestricted revenues provided to a hospital by local governments or tax districts regardless of the method of payment, for care provided to a patient whose family income for the twelve (12) months preceding the determination is less than or equal to two-hundred (200) percent of the federal poverty level, unless the amount of hospital charges due from the patient exceeds twenty-five (25) percent of the annual family income. However, in no case shall the hospital charges for a patient whose family income exceeds four times the federal poverty level for a family of four be considered charity.

"Disproportionate Share Hospital (DSH)" means a hospital that has a Medicaid inpatient utilization rate of not less than one percent.

"Fund" means a sum of money or other liquid assets paid to the Agency in order to provide for the LIP or DSH program.

"Intergovernmental Transfers (IGTs)" means transfers of funds from a non-Medicaid governmental entity (e.g., counties, municipalities, hospital taxing districts, providers operated by state or local government) to the Medicaid agency.

"Low Income Pool (LIP)" means providing government support for safety-net providers for the costs of uncompensated charity care for low-income individuals that are uninsured. Uncompensated care includes charity care for the uninsured but does not include uncompensated care for insured individuals, "bad debt," or Medicaid and CHIP shortfall. The definition also excludes the estimated impact on uncompensated care that would result from Medicaid expansion, or that has resulted from Marketplace coverage, under the Affordable Care Act.

"Medicaid" means the medical assistance program authorized by Title XIX of the Social Security Act, 42 U.S.C. §§ 1396 et seq., and regulations thereunder, as administered in Florida by the Agency.

"Payment" means performance of a duty, promise, or obligation by the transfer of funds, check or electronic transfer, to the Agency in order to provide for the LIP or DSH program.

A. GENERAL PROVISIONS

1. Per House Bill 5001, the General Appropriations Act of State Fiscal Year 2016-2017, passed by the 2016 Florida Legislature, the County and the Agency agree that the County will remit IGT funds to the Agency in an amount not to exceed the total of **\$523,380.00**.
 - a. The County and the Agency have agreed that these IGT funds will only be used to increase the provision of health services for the charity care of the County and the State of Florida at large.
 - b. The increased provision of charity care health services will be accomplished through the following Medicaid programs:
 - i. The Disproportionate Share Hospital (DSH) program.
 - ii. Medicaid Low Income Pool (LIP) payments to rural hospitals, trauma centers, specialty pediatric hospitals, primary care services and other Medicaid participating safety-net hospitals based on charity care.
2. The County will pay IGT funds to the Agency in an amount not to exceed the total of **\$523,380.00**. The County will transfer payments to the Agency in the following manner:
 - a. The first quarterly payment of up to one fourth of the total amount for the months of July, August, and September is due upon notification by the Agency.
 - b. Each successive payment of up to one fourth of the total amount is due as follows: November 30, 2016, March 1, 2017 and May 1, 2017.
 - c. The Agency will bill the County when each quarterly payment is due.
3. Attached are the DSH or LIP schedules reflecting the anticipated annual distributions for State Fiscal Year 2016-2017.
4. The County and the Agency agree that the Agency will maintain necessary records and supporting documentation applicable to charity care health services covered by this LOA.
 - a. Audits and Records
 - i. The County agrees to maintain books, records, and documents (including electronic storage media) pertinent to performance under this LOA in accordance with generally accepted accounting procedures and practices, which sufficiently and properly reflect all revenues and expenditures of funds provided.

- ii. The County agrees to assure that these records shall be subject at all reasonable times to inspection, review, or audit by state personnel and other personnel duly authorized by the Agency, as well as by federal personnel.
- iii. The County agrees to comply with public record laws as outlined in section 119.0701, Florida Statutes.

b. Retention of Records

- i. The County agrees to retain all financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to performance under this LOA for a period of six (6) years after termination of this LOA, or if an audit has been initiated and audit findings have not been resolved at the end of six (6) years, the records shall be retained until resolution of the audit findings.
- ii. Persons duly authorized by the Agency and federal auditors shall have full access to and the right to examine any of said records and documents.
- iii. The rights of access in this section must not be limited to the required retention period but shall last as long as the records are retained.

c. Monitoring

- i. The County agrees to permit persons duly authorized by the Agency to inspect any records, papers, and documents of the County which are relevant to this LOA.

d. Assignment and Subcontracts

- i. The County agrees to neither assign the responsibility of this LOA to another party nor subcontract for any of the work contemplated under this LOA without prior written approval of the Agency. No such approval by the Agency of any assignment or subcontract shall be deemed in any event or in any manner to provide for the incurrence of any obligation of the Agency in addition to the total dollar amount agreed upon in this LOA. All such assignments or subcontracts shall be subject to the conditions of this LOA and to any conditions of approval that the Agency shall deem necessary.

- 5. The County and the Agency agree that any modifications to this LOA shall be in the same form, namely the exchange of signed copies of a revised LOA.
- 6. The County confirms that there are no pre-arranged agreements (contractual or otherwise) between the respective counties, taxing districts, and/or the providers to re-direct any portion of these aforementioned charity care supplemental payments in order to satisfy non-Medicaid, non-uninsured, and non-underinsured activities.

7. The County agrees the following provision shall be included in any agreements between the County and local providers where IGT funding is provided pursuant to this LOA. "Funding provided in this Agreement shall be prioritized so that designated IGT funding shall first be used to fund the Medicaid program (including LIP or DSH) and used secondarily for other purposes."
8. This LOA covers the period of July 1, 2016 through June 30, 2017 and shall be terminated June 30, 2017.
9. This LOA may only be amended upon written agreement signed by both parties.
10. This LOA may be executed in multiple counterparts, each of which shall constitute an original, and each of which shall be fully binding on any party signing at least one counterpart.

LIP/DSH Local Intergovernmental Transfers (IGTs)	
Program / Amount	State Fiscal Year 2016-2017
LIP Program	\$523,380.00
DSH Program	
Total Funding	\$523,380.00

WITNESSETH:

IN WITNESS WHEREOF, the parties have caused this page Letter of Agreement to be executed by their undersigned officials as duly authorized. This Agreement is not valid until signed and dated by both parties.

HEALTH CARE ADMINISTRATION

SIGNED BY: Ajit Lalchandani

SIGNED BY: _____

NAME: Ajit Lalchandani

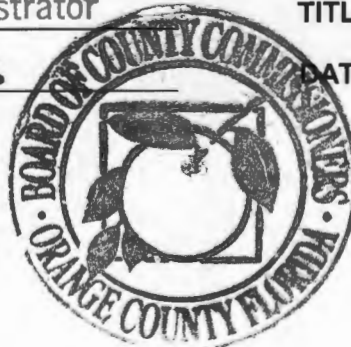
NAME: _____

TITLE: County Administrator

TITLE: _____

DATE: 10.18.16

DATE: _____



BCC Mtg. Date: October 18, 2016

Hospital LIP/DSH Letter of Agreement

THIS LETTER OF AGREEMENT (LOA) made and entered into in duplicate on the 11th day of October 2016, by and between Orange County (the “**County**”) on behalf of Health Central, and the State of Florida, **Agency for Health Care Administration** (the “**Agency**”), and is entered into for good and valuable consideration the receipt and sufficiency of which is acknowledged.

DEFINITIONS

“Charity care” or “uncompensated charity care” means that portion of hospital charges reported to the Agency for which there is no compensation, other than restricted or unrestricted revenues provided to a hospital by local governments or tax districts regardless of the method of payment, for care provided to a patient whose family income for the twelve (12) months preceding the determination is less than or equal to two-hundred (200) percent of the federal poverty level, unless the amount of hospital charges due from the patient exceeds twenty-five (25) percent of the annual family income. However, in no case shall the hospital charges for a patient whose family income exceeds four times the federal poverty level for a family of four be considered charity.

“Disproportionate Share Hospital (DSH)” means a hospital that has a Medicaid inpatient utilization rate of not less than one percent.

“Fund” means a sum of money or other liquid assets paid to the Agency in order to provide for the LIP or DSH program.

“Intergovernmental Transfers (IGTs)” means transfers of funds from a non-Medicaid governmental entity (e.g., counties, municipalities, hospital taxing districts, providers operated by state or local government) to the Medicaid agency.

“Low Income Pool (LIP)” means providing government support for safety-net providers for the costs of uncompensated charity care for low-income individuals that are uninsured. Uncompensated care includes charity care for the uninsured but does not include uncompensated care for insured individuals, “bad debt,” or Medicaid and CHIP shortfall. The definition also excludes the estimated impact on uncompensated care that would result from Medicaid expansion, or that has resulted from Marketplace coverage, under the Affordable Care Act.

“Medicaid” means the medical assistance program authorized by Title XIX of the Social Security Act, 42 U.S.C. §§ 1396 et seq., and regulations thereunder, as administered in Florida by the Agency.

“Payment” means performance of a duty, promise, or obligation by the transfer of funds, check or electronic transfer, to the Agency in order to provide for the LIP or DSH program.

A. GENERAL PROVISIONS

1. Per House Bill 5001, the General Appropriations Act of State Fiscal Year 2016-2017, passed by the 2016 Florida Legislature, the County and the Agency agree that the County will remit IGT funds to the Agency in an amount not to exceed the total of **\$409,905.00**.
 - a. The County and the Agency have agreed that these IGT funds will only be used to increase the provision of health services for the charity care of the County and the State of Florida at large.
 - b. The increased provision of charity care health services will be accomplished through the following Medicaid programs:
 - i. The Disproportionate Share Hospital (DSH) program.
 - ii. Medicaid Low Income Pool (LIP) payments to rural hospitals, trauma centers, specialty pediatric hospitals, primary care services and other Medicaid participating safety-net hospitals based on charity care.
2. The County will pay IGT funds to the Agency in an amount not to exceed the total of **\$409,905.00**. The County will transfer payments to the Agency in the following manner:
 - a. The first quarterly payment of up to one fourth of the total amount for the months of July, August, and September is due upon notification by the Agency.
 - b. Each successive payment of up to one fourth of the total amount is due as follows: November 30, 2016, March 1, 2017 and May 1, 2017.
 - c. The Agency will bill the County when each quarterly payment is due.
3. Attached are the DSH or LIP schedules reflecting the anticipated annual distributions for State Fiscal Year 2016-2017.
4. The County and the Agency agree that the Agency will maintain necessary records and supporting documentation applicable to charity care health services covered by this LOA.
 - a. Audits and Records
 - i. The County agrees to maintain books, records, and documents (including electronic storage media) pertinent to performance under this LOA in accordance with generally accepted accounting procedures and practices, which sufficiently and properly reflect all revenues and expenditures of funds provided.

- ii. The County agrees to assure that these records shall be subject at all reasonable times to inspection, review, or audit by state personnel and other personnel duly authorized by the Agency, as well as by federal personnel.
- iii. The County agrees to comply with public record laws as outlined in section 119.0701, Florida Statutes.

b. Retention of Records

- i. The County agrees to retain all financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to performance under this LOA for a period of six (6) years after termination of this LOA, or if an audit has been initiated and audit findings have not been resolved at the end of six (6) years, the records shall be retained until resolution of the audit findings.
- ii. Persons duly authorized by the Agency and federal auditors shall have full access to and the right to examine any of said records and documents.
- iii. The rights of access in this section must not be limited to the required retention period but shall last as long as the records are retained.

c. Monitoring

- i. The County agrees to permit persons duly authorized by the Agency to inspect any records, papers, and documents of the County which are relevant to this LOA.

d. Assignment and Subcontracts

- i. The County agrees to neither assign the responsibility of this LOA to another party nor subcontract for any of the work contemplated under this LOA without prior written approval of the Agency. No such approval by the Agency of any assignment or subcontract shall be deemed in any event or in any manner to provide for the incurrence of any obligation of the Agency in addition to the total dollar amount agreed upon in this LOA. All such assignments or subcontracts shall be subject to the conditions of this LOA and to any conditions of approval that the Agency shall deem necessary.
5. The County and the Agency agree that any modifications to this LOA shall be in the same form, namely the exchange of signed copies of a revised LOA.
6. The County confirms that there are no pre-arranged agreements (contractual or otherwise) between the respective counties, taxing districts, and/or the providers to re-direct any portion of these aforementioned charity care supplemental payments in order to satisfy non-Medicaid, non-uninsured, and non-underinsured activities.

7. The County agrees the following provision shall be included in any agreements between the County and local providers where IGT funding is provided pursuant to this LOA. "Funding provided in this Agreement shall be prioritized so that designated IGT funding shall first be used to fund the Medicaid program (including LIP or DSH) and used secondarily for other purposes."
8. This LOA covers the period of July 1, 2016 through June 30, 2017 and shall be terminated June 30, 2017.
9. This LOA may only be amended upon written agreement signed by both parties.
10. This LOA may be executed in multiple counterparts, each of which shall constitute an original, and each of which shall be fully binding on any party signing at least one counterpart.

LIP/DSH Local Intergovernmental Transfers (IGTs)	
Program / Amount	State Fiscal Year 2016-2017
LIP Program	\$409,905.00
DSH Program	
Total Funding	\$409,905.00

WITNESSETH:

IN WITNESS WHEREOF, the parties have caused this page Letter of Agreement to be executed by their undersigned officials as duly authorized. This Agreement is not valid until signed and dated by both parties.

HEALTH CARE ADMINISTRATION

SIGNED BY: Ajit Lalchandani

NAME: Ajit Lalchandani

TITLE: County Administrator

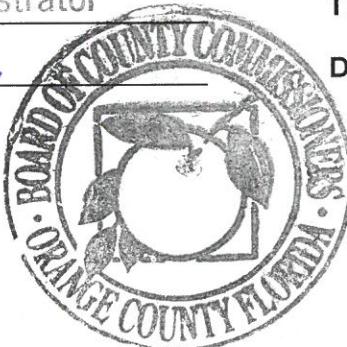
DATE: 10.18.16

SIGNED BY: Justin M. Senior

NAME: Justin M. Senior

TITLE: Secretary

DATE: 5/19/17



BCC Mtg. Date: October 18, 2016

Hospital LIP/DSH Letter of Agreement

THIS LETTER OF AGREEMENT (LOA) made and entered into in duplicate on the 12th day of October 2016, by and between Orange County (the "**County**") on behalf of Florida Hospital, and the State of Florida, **Agency for Health Care Administration** (the "**Agency**"), and is entered into for good and valuable consideration the receipt and sufficiency of which is acknowledged.

DEFINITIONS

"Charity care" or "uncompensated charity care" means that portion of hospital charges reported to the Agency for which there is no compensation, other than restricted or unrestricted revenues provided to a hospital by local governments or tax districts regardless of the method of payment, for care provided to a patient whose family income for the twelve (12) months preceding the determination is less than or equal to two-hundred (200) percent of the federal poverty level, unless the amount of hospital charges due from the patient exceeds twenty-five (25) percent of the annual family income. However, in no case shall the hospital charges for a patient whose family income exceeds four times the federal poverty level for a family of four be considered charity.

"Disproportionate Share Hospital (DSH)" means a hospital that has a Medicaid inpatient utilization rate of not less than one percent.

"Fund" means a sum of money or other liquid assets paid to the Agency in order to provide for the LIP or DSH program.

"Intergovernmental Transfers (IGTs)" means transfers of funds from a non-Medicaid governmental entity (e.g., counties, municipalities, hospital taxing districts, providers operated by state or local government) to the Medicaid agency.

"Low Income Pool (LIP)" means providing government support for safety-net providers for the costs of uncompensated charity care for low-income individuals that are uninsured. Uncompensated care includes charity care for the uninsured but does not include uncompensated care for insured individuals, "bad debt," or Medicaid and CHIP shortfall. The definition also excludes the estimated impact on uncompensated care that would result from Medicaid expansion, or that has resulted from Marketplace coverage, under the Affordable Care Act.

"Medicaid" means the medical assistance program authorized by Title XIX of the Social Security Act, 42 U.S.C. §§ 1396 et seq., and regulations thereunder, as administered in Florida by the Agency.

"Payment" means performance of a duty, promise, or obligation by the transfer of funds, check or electronic transfer, to the Agency in order to provide for the LIP or DSH program.

A. GENERAL PROVISIONS

1. Per House Bill 5001, the General Appropriations Act of State Fiscal Year 2016-2017, passed by the 2016 Florida Legislature, the County and the Agency agree that the County will remit IGT funds to the Agency in an amount not to exceed the total of **\$3,000,000.00**.
 - a. The County and the Agency have agreed that these IGT funds will only be used to increase the provision of health services for the charity care of the County and the State of Florida at large.
 - b. The increased provision of charity care health services will be accomplished through the following Medicaid programs:
 - i. The Disproportionate Share Hospital (DSH) program.
 - ii. Medicaid Low Income Pool (LIP) payments to rural hospitals, trauma centers, specialty pediatric hospitals, primary care services and other Medicaid participating safety-net hospitals based on charity care.
2. The County will pay IGT funds to the Agency in an amount not to exceed the total of **\$3,000,000.00**. The County will transfer payments to the Agency in the following manner:
 - a. The first quarterly payment of up to one fourth of the total amount for the months of July, August, and September is due upon notification by the Agency.
 - b. Each successive payment of up to one fourth of the total amount is due as follows: November 30, 2016, March 1, 2017 and May 1, 2017.
 - c. The Agency will bill the County when each quarterly payment is due.
3. Attached are the DSH or LIP schedules reflecting the anticipated annual distributions for State Fiscal Year 2016-2017.
4. The County and the Agency agree that the Agency will maintain necessary records and supporting documentation applicable to charity care health services covered by this LOA.
 - a. Audits and Records
 - i. The County agrees to maintain books, records, and documents (including electronic storage media) pertinent to performance under this LOA in accordance with generally accepted accounting procedures and practices, which sufficiently and properly reflect all revenues and expenditures of funds provided.

- ii. The County agrees to assure that these records shall be subject at all reasonable times to inspection, review, or audit by state personnel and other personnel duly authorized by the Agency, as well as by federal personnel.
- iii. The County agrees to comply with public record laws as outlined in section 119.0701, Florida Statutes.

b. Retention of Records

- i. The County agrees to retain all financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to performance under this LOA for a period of six (6) years after termination of this LOA, or if an audit has been initiated and audit findings have not been resolved at the end of six (6) years, the records shall be retained until resolution of the audit findings.
- ii. Persons duly authorized by the Agency and federal auditors shall have full access to and the right to examine any of said records and documents.
- iii. The rights of access in this section must not be limited to the required retention period but shall last as long as the records are retained.

c. Monitoring

- i. The County agrees to permit persons duly authorized by the Agency to inspect any records, papers, and documents of the County which are relevant to this LOA.

d. Assignment and Subcontracts

- i. The County agrees to neither assign the responsibility of this LOA to another party nor subcontract for any of the work contemplated under this LOA without prior written approval of the Agency. No such approval by the Agency of any assignment or subcontract shall be deemed in any event or in any manner to provide for the incurrence of any obligation of the Agency in addition to the total dollar amount agreed upon in this LOA. All such assignments or subcontracts shall be subject to the conditions of this LOA and to any conditions of approval that the Agency shall deem necessary.

- 5. The County and the Agency agree that any modifications to this LOA shall be in the same form, namely the exchange of signed copies of a revised LOA.

6. The County confirms that there are no pre-arranged agreements (contractual or otherwise) between the respective counties, taxing districts, and/or the providers to re-direct any portion of these aforementioned charity care supplemental payments in order to satisfy non-Medicaid, non-uninsured, and non-underinsured activities.
7. The County agrees the following provision shall be included in any agreements between the County and local providers where IGT funding is provided pursuant to this LOA. "Funding provided in this Agreement shall be prioritized so that designated IGT funding shall first be used to fund the Medicaid program (including LIP or DSH) and used secondarily for other purposes."
8. This LOA covers the period of July 1, 2016 through June 30, 2017 and shall be terminated June 30, 2017.
9. This LOA may only be amended upon written agreement signed by both parties.
10. This LOA may be executed in multiple counterparts, each of which shall constitute an original, and each of which shall be fully binding on any party signing at least one counterpart.

LIP/DSH Local Intergovernmental Transfers (IGTs)	
Program / Amount	State Fiscal Year 2016-2017
LIP Program	\$3,000,000.00
DSH Program	
Total Funding	\$3,000,000.00

WITNESSETH:

IN WITNESS WHEREOF, the parties have caused this page Letter of Agreement to be executed by their undersigned officials as duly authorized. This Agreement is not valid until signed and dated by both parties.

HEALTH CARE ADMINISTRATION

SIGNED BY: Ajit Lalchandani

SIGNED BY: _____

NAME: Ajit Lalchandani

NAME: _____

TITLE: County Administrator

TITLE: _____

DATE: 10.18.16

DATE: _____



APPROVED BY ORANGE
COUNTY BOARD OF COUNTY
COMMISSIONERS

BCC Mtg. Date: October 18, 2016

Hospital LIP/DSH Letter of Agreement

THIS LETTER OF AGREEMENT (LOA) made and entered into in duplicate on the 15th day of August 2016, by and between Orange County (the "**County**") on behalf of Florida Hospital, and the State of Florida, **Agency for Health Care Administration** (the "**Agency**"), and is entered into for good and valuable consideration the receipt and sufficiency of which is acknowledged.

DEFINITIONS

"Charity care" or "uncompensated charity care" means that portion of hospital charges reported to the Agency for which there is no compensation, other than restricted or unrestricted revenues provided to a hospital by local governments or tax districts regardless of the method of payment, for care provided to a patient whose family income for the twelve (12) months preceding the determination is less than or equal to two-hundred (200) percent of the federal poverty level, unless the amount of hospital charges due from the patient exceeds twenty-five (25) percent of the annual family income. However, in no case shall the hospital charges for a patient whose family income exceeds four times the federal poverty level for a family of four be considered charity.

"Disproportionate Share Hospital (DSH)" means a hospital that has a Medicaid inpatient utilization rate of not less than one percent.

"Fund" means a sum of money or other liquid assets paid to the Agency in order to provide for the LIP or DSH program.

"Intergovernmental Transfers (IGTs)" means transfers of funds from a non-Medicaid governmental entity (e.g., counties, municipalities, hospital taxing districts, providers operated by state or local government) to the Medicaid agency.

"Low Income Pool (LIP)" means providing government support for safety-net providers for the costs of uncompensated charity care for low-income individuals that are uninsured. Uncompensated care includes charity care for the uninsured but does not include uncompensated care for insured individuals, "bad debt," or Medicaid and CHIP shortfall. The definition also excludes the estimated impact on uncompensated care that would result from Medicaid expansion, or that has resulted from Marketplace coverage, under the Affordable Care Act.

"Medicaid" means the medical assistance program authorized by Title XIX of the Social Security Act, 42 U.S.C. §§ 1396 et seq., and regulations thereunder, as administered in Florida by the Agency.

"Payment" means performance of a duty, promise, or obligation by the transfer of funds, check or electronic transfer, to the Agency in order to provide for the LIP or DSH program.

A. GENERAL PROVISIONS

1. Per House Bill 5001, the General Appropriations Act of State Fiscal Year 2016-2017, passed by the 2016 Florida Legislature, the County and the Agency agree that the County will remit IGT funds to the Agency in an amount not to exceed the total of **\$2,196,967.00**.
 - a. The County and the Agency have agreed that these IGT funds will only be used to increase the provision of health services for the charity care of the County and the State of Florida at large.
 - b. The increased provision of charity care health services will be accomplished through the following Medicaid programs:
 - i. The Disproportionate Share Hospital (DSH) program.
 - ii. Medicaid Low Income Pool (LIP) payments to rural hospitals, trauma centers, specialty pediatric hospitals, primary care services and other Medicaid participating safety-net hospitals based on charity care.
2. The County will pay IGT funds to the Agency in an amount not to exceed the total of **\$2,196,967.00**. The County will transfer payments to the Agency in the following manner:
 - a. The first quarterly payment of up to one fourth of the total amount for the months of July, August, and September is due upon notification by the Agency.
 - b. Each successive payment of up to one fourth of the total amount is due as follows: November 30, 2016, March 1, 2017 and May 1, 2017.
 - c. The Agency will bill the County when each quarterly payment is due.
3. Attached are the DSH or LIP schedules reflecting the anticipated annual distributions for State Fiscal Year 2016-2017.
4. The County and the Agency agree that the Agency will maintain necessary records and supporting documentation applicable to charity care health services covered by this LOA.
 - a. Audits and Records
 - i. The County agrees to maintain books, records, and documents (including electronic storage media) pertinent to performance under this LOA in accordance with generally accepted accounting procedures and practices, which sufficiently and properly reflect all revenues and expenditures of funds provided.

- ii. The County agrees to assure that these records shall be subject at all reasonable times to inspection, review, or audit by state personnel and other personnel duly authorized by the Agency, as well as by federal personnel.
- iii. The County agrees to comply with public record laws as outlined in section 119.0701, Florida Statutes.

b. Retention of Records

- i. The County agrees to retain all financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to performance under this LOA for a period of six (6) years after termination of this LOA, or if an audit has been initiated and audit findings have not been resolved at the end of six (6) years, the records shall be retained until resolution of the audit findings.
- ii. Persons duly authorized by the Agency and federal auditors shall have full access to and the right to examine any of said records and documents.
- iii. The rights of access in this section must not be limited to the required retention period but shall last as long as the records are retained.

c. Monitoring

- i. The County agrees to permit persons duly authorized by the Agency to inspect any records, papers, and documents of the County which are relevant to this LOA.

d. Assignment and Subcontracts

- i. The County agrees to neither assign the responsibility of this LOA to another party nor subcontract for any of the work contemplated under this LOA without prior written approval of the Agency. No such approval by the Agency of any assignment or subcontract shall be deemed in any event or in any manner to provide for the incurrence of any obligation of the Agency in addition to the total dollar amount agreed upon in this LOA. All such assignments or subcontracts shall be subject to the conditions of this LOA and to any conditions of approval that the Agency shall deem necessary.

- 5. The County and the Agency agree that any modifications to this LOA shall be in the same form, namely the exchange of signed copies of a revised LOA.

6. The County confirms that there are no pre-arranged agreements (contractual or otherwise) between the respective counties, taxing districts, and/or the providers to re-direct any portion of these aforementioned charity care supplemental payments in order to satisfy non-Medicaid, non-uninsured, and non-underinsured activities.
7. The County agrees the following provision shall be included in any agreements between the County and local providers where IGT funding is provided pursuant to this LOA. "Funding provided in this Agreement shall be prioritized so that designated IGT funding shall first be used to fund the Medicaid program (including LIP or DSH) and used secondarily for other purposes."
8. This LOA covers the period of July 1, 2016 through June 30, 2017 and shall be terminated June 30, 2017.
9. This LOA may only be amended upon written agreement signed by both parties.
10. This LOA may be executed in multiple counterparts, each of which shall constitute an original, and each of which shall be fully binding on any party signing at least one counterpart.

LIP/DSH Local Intergovernmental Transfers (IGTs)	
Program / Amount	State Fiscal Year 2016-2017
LIP Program	
DSH Program	\$2,196,967.00
Total Funding	\$2,196,967.00

WITNESSETH:

IN WITNESS WHEREOF, the parties have caused this page Letter of Agreement to be executed by their undersigned officials as duly authorized. This Agreement is not valid until signed and dated by both parties.

HEALTH CARE ADMINISTRATION

SIGNED
BY:

Ajit Lalchandani

NAME:

Ajit Lalchandani

TITLE:

County Administrator

DATE:

10.18.16

SIGNED
BY:

Justin M. Senior

NAME:

Justin M. Senior

TITLE:

Secretary

DATE:

1/19/17

