



BOARD OF COUNTY COMMISSIONERS

DATE: September 23, 2014

AGENDA ITEM NO. 19

Consent Agenda

Regular Agenda

Public Hearing

 **County Administrator's Signature:**

Subject:

Approval of Delegated Authority to the County Administrator to approve and execute agreements for the Medicaid Low Income Pool Program.

Department:

Health and Community Services (HCS)

Staff Member Responsible:

Lynda M. Leedy, Interim Executive Director

Recommended Action:

I RECOMMEND THE BOARD OF COUNTY COMMISSIONERS (BOARD) DELEGATE AUTHORITY TO THE COUNTY ADMINISTRATOR TO APPROVE AND EXECUTE MEDICAID LOW INCOME POOL (LIP) AGREEMENTS BETWEEN PINELLAS COUNTY AND THE STATE OF FLORIDA, AGENCY FOR HEALTH CARE ADMINISTRATION (AHCA) AND PARTICIPATING LOCAL HOSPITALS FOR THE STATE FISCAL YEAR 2014-2015 BUDGET YEAR.

Summary Explanation/Background:

The State Legislature, through the General Appropriations Act of State Fiscal Year (SFY) 2014-2015, has designated funding for the purpose of providing assistance to hospitals that provide inpatient and outpatient health care services through the Medicaid Program. This funding, titled Medicaid Low Income Pool, allows local governments to increase certain Medicaid hospital payments by providing the required State Medical Assistance Percentage (SMAP) through Intergovernmental Transfers (IGTs). The source of SMAP must be locally generated tax dollars. The maximum amount of the Intergovernmental Transfer available is \$10.1 million.

HCS is seeking opportunities to engage in LIP agreements for the SFY 2014-2015 budget year. Available county funding within the current FY2014 and anticipated FY2015 budget has been identified within the indigent care program for up to \$10.1 million in IGTs to leverage as appropriate in the event participation is possible. HCS anticipates a very short turnaround time for the County to participate in the Low Income Pool program if the opportunity arises. In order to be able to react quickly to the needs of the program, the Department is requesting the County Administrator be delegated the authority to execute the agreements.

Currently, HCS continues to pursue discussions with local hospitals and the State to determine the extent to which opportunities may be available. Two possible avenues are being explored:

- LIP 6 (formerly known as "buy-back") – Intergovernmental Transfer that provides a Medicaid rate enhancement for participating hospitals.
- Base LIP – Intergovernmental Transfer that provides a payment to participating hospitals for services rendered to indigent patients through Medicaid programs such as Disproportionate Share Hospital (DSH) program, Medicaid outpatient services, and other LIP programs.

At this time, Base LIP is the most likely opportunity for participation due to State caps and limitations; however, in the event that an existing LIP 6 agreement from across the state is discontinued for SFY 2014-2015, the County may have an opportunity to participate in LIP 6 as well. For LIP 6 participation, along with the discontinuation of another site, the local participating hospital must not have reached their cost reimbursement ceiling cap.

In addition to the possible letters of agreement with the Agency for Health Care Administration, the County will codify the agreement with a Memorandum of Understanding with participating hospitals to outline the investment and outcomes. HCS will seek to coordinate funding toward the County indigent care program to maintain critical services while working towards expanded Emergency Room diversion efforts.

Moving forward, HCS will solidify discussions with BayCare Health System and Bayfront Medical Center in order to prepare for the compressed agreement timeframes. Although many of the agreements will exceed the County Administrator delegated authority threshold, due to the compressed turnaround, staff is requesting the Board grant authority to the County Administrator for approval and execution. Approvals by the County Administrator will be included on the non-procurement receipt and file report. Sample agreements are attached for reference.

Fiscal Impact/Cost/Revenue Summary:

Funding under this program is an investment that returns to the County. Additional revenues are anticipated for local investments, however, estimates will depend on the level and opportunity to participate.

Exhibits/Attachments Attached:

- 1) Sample LIP 6 Letter of Agreement
- 2) Sample Hospital LIP/DSH/SWI Letter of Agreement (Base LIP)
- 3) Sample Memorandum of Understanding for Pinellas LIP

Attachment 1

LIP 6 Letter of Agreement

THIS LETTER OF AGREEMENT (LOA) made and entered into in duplicate on the _____ day of _____ 2014, by and between _____ on behalf of _____, and the State of Florida, through its Agency for Health Care Administration (the Agency),

1. Per House Bill 5001, the General Appropriations Act of State Fiscal Year 2014-2015, passed by the 2014 Florida Legislature, _____ and the Agency, agree that _____ will remit to the State an amount not to exceed a grand total of _____. Please note this amount may include credits from prior year's IGT reconciliations (a breakdown can be found below). The LOA's original amount prior to credits was _____.
 - a. The _____ and the Agency have agreed that these funds will only be used to increase the provision of health services for the Medicaid, uninsured, and underinsured people of the _____ and the State of Florida at large.
 - b. The increased provision of Medicaid, uninsured, and underinsured funded health services will be accomplished through the Low Income Pool (LIP) Program.
2. The _____ will pay the State an amount not to exceed the grand total amount of _____. The _____ will transfer payments to the State in the following manner:
 - a. The first quarterly payment of \$_____ for the months of July, August, and September is due upon notification by the Agency.
 - b. Each successive payment of \$_____ is due as follows, November 30, 2014, March 31, 2015 and June 1, 2015.
 - c. The State will bill the _____ each quarter payments are due.
3. Timelines: This agreement must be signed, submitted, and received by the Agency no later than October 1, 2014 for all providers listed on Table 2a of the House Bill 5001 in order to be effective for SFY 2014-2015. Should funding not be secured by October 1, 2014 the Agency will execute with other local governmental entities by October 31, 2014. House Bill 5001 Specific Appropriation 212 language is as follows:

In order for the agency to certify the qualified nonfederal share of matching funds, a local governmental entity must submit a final, executed letter of agreement to the agency, which must be received by October 1, 2014 and provide the total amount of nonfederal share of matching funds authorized by the entity under this paragraph or the General Appropriations Act. If Table 2a funds are not secured by October 1, 2014, the Agency for Health Care Administration may execute letters of agreement with other local governmental entities by October 31, 2014.

4. Attached is the LIP 6 schedule reflecting the anticipated annual distributions for State Fiscal Year 2014-2015.
5. The _____ and the State agree that the State will maintain necessary records and supporting documentation applicable to Medicaid, uninsured, and underinsured health services covered by this LOA. Further, the _____ and State agree that the _____ shall have access to these records and the supporting documentation by requesting the same from the State.
6. The _____ and the State agree that any modifications to this LOA shall be in the same form, namely the exchange of signed copies of a revised LOA.
7. The _____ 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 Medicaid supplemental payments in order to satisfy non-Medicaid, non-uninsured, and non-underinsured activities.
8. The _____ agrees the following provision shall be included in any agreements between the _____ and local providers where funding is provided for the Medicaid program. Funding provided in this agreement shall be prioritized so that designated funding shall first be used to fund the Medicaid program (including LIP) and used secondarily for other purposes.
9. This LOA covers the period of July 1, 2014 through June 30, 2015 and shall be terminated June 30, 2015.

LIP 6 Local Intergovernmental Transfers (IGTs)	
State Fiscal Year 2014-2015	
IGTs Needed Prior to Credits	\$
SFY 1213 IGT Rec Credits	\$
Total Funding	\$

WITNESSETH:

IN WITNESS WHEREOF the parties have duly executed this LOA on the day and year above first written.

Local Agency

State of Florida

Signature

Stacey Lampkin
Assistant Deputy Secretary for Medicaid Finance,
Agency for Health Care Administration

Name

Title

Attachment 2

Hospital LIP/DSH/SWI Letter of Agreement

THIS LETTER OF AGREEMENT (LOA) made and entered into in duplicate on the _____ day of _____ 2014, by and between ~~«IGT PROVIDER»~~ (the ~~«TYPE»~~) on behalf of ~~«PROVIDERS COVERED»~~, and the State of Florida, through its Agency for Health Care Administration (the Agency),

1. Per House Bill 5001, the General Appropriations Act of State Fiscal Year 2014-2015, passed by the 2014 Florida Legislature, ~~«TYPE»~~ and the Agency, agree that ~~«TYPE»~~ will remit to the State an amount not to exceed a grand total of ~~«TOTAL»~~.
 - a. The ~~«TYPE»~~ and the Agency have agreed that these funds will only be used to increase the provision of health services for the Medicaid, uninsured, and underinsured people of the ~~«TYPE»~~ and the State of Florida at large.
 - b. The increased provision of Medicaid, uninsured, and underinsured funded health services will be accomplished through the following Medicaid programs:
 - i. The Disproportionate Share Hospital (DSH) program.
 - ii. The annual cap increase on outpatient services for adults from \$500 to \$1,500.
 - iii. Medicaid Low Income Pool (LIP) payments to rural hospitals, trauma centers, specialty pediatric hospitals, primary care services and other Medicaid participating safety-net hospitals.
 - iv. Medicaid LIP payments to hospitals in the approved appropriations categories.
 - v. Medicaid LIP payments to Provider Access Systems (PAS) for Medicaid and the uninsured in rural areas.
 - vi. Medicaid LIP payments for the expansion of primary care services to low income, uninsured individuals.
2. The ~~«TYPE»~~ will pay the State an amount not to exceed the grand total amount of ~~«TOTAL»~~. The ~~«TYPE»~~ will transfer payments to the State in the following manner:
 - a. The first quarterly payment of ~~«M_1ST_QTR»~~ for the months of July, August, and September is due upon notification by the Agency.
 - b. Each successive payment of ~~«M_4th_qtr»~~ is due as follows, November 30, 2014, March 31, 2015 and May 25, 2015.
 - c. The State will bill the ~~«TYPE»~~ when each quarterly payment is due.

3. Attached are the DSH and LIP schedules reflecting the anticipated annual distributions for State Fiscal Year 2014-2015.
4. The «TYPE» and the State agree that the State will maintain necessary records and supporting documentation applicable to Medicaid, uninsured, and underinsured health services covered by this LOA. Further, the «TYPE» and State agree that the «TYPE» shall have access to these records and the supporting documentation by requesting the same from the State.
5. The «TYPE» and the State 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 «TYPE» 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 Medicaid supplemental payments in order to satisfy non-Medicaid, non-uninsured, and non-underinsured activities.
7. The «TYPE» agrees the following provision shall be included in any agreements between the «TYPE» and local providers where funding is provided for the Medicaid program. Funding provided in this agreement shall be prioritized so that designated funding shall first be used to fund the Medicaid program (including LIP) and used secondarily for other purposes.
8. This LOA covers the period of July 1, 2014 through June 30, 2015 and shall be terminated June 30, 2015.

LIP/DSH/SWI Local Intergovernmental Transfers (IGTs)	
Program / Amount	State Fiscal Year 2014-2015
Low Income Pool Program	«LIP_PAS_Hospital_LIP»
Disproportionate Share Hospitals Program	«DSH»
State Wide Issues Program	«STATEWIDE»
Total Funding	«TOTAL»

WITNESSETH:

IN WITNESS WHEREOF the parties have duly executed this LOA on the day and year above first written.

~~«IGT_PROVIDER»~~

State of Florida

Signature

Stacey Lampkin
Assistant Deputy Secretary for Medicaid Finance,
Agency for Health Care Administration

Name

Title

**MEMORANDUM OF UNDERSTANDING FOR
PINELLAS COUNTY LOW INCOME POOL GRANT FUND**

THIS MEMORANDUM OF UNDERSTANDING FOR PINELLAS COUNTY LOW INCOME POOL GRANT FUND (“**MOU**”) is entered into as of the 1st day of October, 2014, by and between PINELLAS COUNTY, a political subdivision of the State of Florida (“**County**”), and BAYCARE HEALTH SYSTEM, INC., a Florida not-for-profit corporation (“**BAYCARE**”) (hereinafter jointly referred to as “**PARTIES**”).

RECITALS

WHEREAS, the **PARTIES** to this **MOU** are critical components regarding the provision of health care services to citizens of Pinellas County; and

WHEREAS, the **PARTIES** also serve those citizens of the County who are unable to afford the increasing costs of health care; and

WHEREAS, the **PARTIES** are interested in improving the quality of health care for all citizens of Pinellas County, but in the context of this **MOU**, particularly for indigent families in Pinellas County; and

WHEREAS, the **PARTIES** have been in discussions regarding optional structures for most efficiently providing health services through a strengthened relationship; and

WHEREAS, **BAYCARE** is the preeminent health system in the County and as such, is uniquely positioned to take a lead role in these and other future projects; and

WHEREAS, **BAYCARE** has always been a willing partner to improve health care and increase health access to low income uninsured county residents; and

WHEREAS, **BAYCARE’S** commitment to and investment in community health is evident and a strengthened partnership between **BAYCARE** and the Department of Health and Community Services will greatly improve community health outcomes in Pinellas County; and

WHEREAS, the County is interested in leveraging the funding it provides for public health care to the maximum extent possible; and

WHEREAS, in previous years, the **PARTIES** have entered into agreements that allowed the County to gain maximum benefit from its funding of local health care by participation in the Medicaid Buy-Back program; and

WHEREAS, the County is willing to contribute a greater percentage of its funding for health care funding into the Medicaid Buy-Back program in order to receive funds from the state which funds will be received by **BAYCARE**; and

WHEREAS, it is expected that funds received by BAYCARE through the Medicaid Buy-Back program will be used in order to maintain and support current programs provided by the County consistent with the Pinellas County Health Plan; and

WHEREAS, the PARTIES agree to abide by the terms of this MOU.

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:

**ARTICLE I
OBLIGATIONS OF THE PARTIES**

1.1 Initial Effective Date of Performance. The obligations created under this MOU shall become effective on October 1, 2014.

1.2 County Disbursement. The County agrees to participate in the Medicaid Buy-Back program with the Agency for Health Care Administration by executing a LIP 6 Letter of Agreement (“**LIP 6**”) and/or a Hospital LIP/DSH/SWI Letter of Agreement (“**LIP PAS**”) in an amount not to exceed _____, and to direct that these funds be returned to BAYCARE under the terms of the Medicaid Buy-Back program (the “**County Disbursement**”). The exact dollar amount for which the County can participate in LIP 6 and LIP PAS will not be determined until approximately October 2014. Accordingly, County will request BAYCARE to provide the exact allocation of an amount not to exceed the \$ _____ between LIP 6 and LIP PAS for inclusion in the Letters of Agreement.

1.3 Service to be Provided. BAYCARE, in consideration of the County Disbursement referenced above, shall compensate providers under the following County contracts for Fiscal Year 2014/2015 in the following amounts:

- a. _____
- b. _____
- c. _____

1.4 Coordinated Participation. BAYCARE, in consideration of the County Disbursement and additional leveraged funds received from the state of Florida thereby and for future consideration provided through state and federal health care programs, agrees to coordinate with the County during the term of this MOU in order to identify future health strategies and initiatives to increase access to health care, reduce costs, improve healthcare, and reduce health disparities among target populations.

1.5 Adequate Safeguards for Health Information. The PARTIES warrant that they shall implement and maintain appropriate safeguards to prevent the Use or Disclosure of Health Information in any manner other than as permitted by this MOU.

1.6 Confidentiality and Disclosure. BAYCARE shall retain the confidential nature of its results and any protected health information it obtains through its participation under this

MOU (“**Health Information**”) and shall execute a Business Associate Agreement with the County to the extent required by HIPAA.

1.7 Use of Subcontractors and Agents. BAYCARE shall require each of its agents and subcontractors that receive Health Information from BAYCARE to execute a written agreement that complies with all HIPAA requirements with respect to such Health Information.

1.8 Fiscal Non-Funding. In the event sufficient budgeted funds are not available for a new fiscal period or sufficient funds are not budgeted for the continuation of the coordination planned pursuant to this MOU, the County shall notify BAYCARE of such occurrence and the MOU shall terminate on the last day of the fiscal period for which committed funds are available.

ARTICLE II TERM & DISPUTE RESOLUTION

2.1 Term. The term of this MOU shall commence on October 1, 2014, and continue through September 30, 2015. Thereafter, this MOU may be renewed only by written agreement signed by both parties. Upon termination or expiration of this MOU for any reason, the PARTIES’ obligations and responsibilities set forth in this MOU shall cease as of the effective date of such termination/expiration.

2.2 Dispute Resolution. All disputes arising out of this MOU shall be discussed between the PARTIES through informal mediation sessions prior to a party taking any other action.

ARTICLE III EMPLOYEES

3.1 At no time shall the employees of BAYCARE be deemed to be employees or agents of the County nor shall the employees of the County be deemed to be employees or agents of the BAYCARE. Each PARTY shall have supervisory responsibility for its personnel, provided always that all medical services are provided in a manner consistent with professional standards governing those services.

3.2 All wage and disability payments, pensions, Workers' Compensation claims, and medical expenses shall be paid by the employing PARTY.

3.3 Indemnification. BayCare shall indemnify, pay the cost of defense, including attorney’s fees, and hold harmless the County from all suits, actions, claims of any character brought on account BAYCARE's negligence, excluding only such injury or damage as shall have been occasioned by the negligence of the County.

3.4 Licensing. BAYCARE and County each warrant that all of its health care providers, including, but not limited to, physicians, advanced registered nurse practitioners, nurses and other health care professionals, meet statutory requirements and are in good standing with the appropriate state licensing authority. In addition, each party represents and warrants

that it has all the necessary qualifications, certifications and/or licenses required by federal, state, or local laws and regulations to provide the services required under this MOU.

ARTICLE IV MISCELLANEOUS

4.1 Amendment to Comply with Law. The PARTIES acknowledge that state and federal laws relating to HIPAA and the HITECH Act are rapidly evolving and that amendment of this MOU may be required to provide for procedures to ensure compliance with such developments. The PARTIES specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, HITECH and other applicable laws relating to the security or confidentiality of Health Information. The PARTIES understand and agree that County must receive satisfactory written assurance from BAYCARE that BAYCARE will adequately safeguard all Health Information that it receives or creates under this MOU with the County. Upon County's request, BAYCARE agrees to promptly enter into negotiations with County, concerning the terms of any amendment to this MOU embodying written assurances consistent with the standards and requirements of HIPAA, HITECH or other applicable laws.

4.2 Severability. If any provision of this MOU is found to be invalid or unenforceable by any court, such provision shall be ineffective only to the extent that it is in contravention of applicable laws without invalidating the remaining provisions hereof.

4.3 Notices. All notices required under this MOU shall be delivered to the administrative head of the County or BAYCARE as the case may be.

4.4 Independent Status. BAYCARE is and shall remain an independent and separate entity from the County.

4.5 Compliance with Laws. The PARTIES agree to comply with all applicable federal, state, or local laws applicable to the performance of this MOU.

4.6 Execution. This MOU may be executed in one or more counterparts, each of which when so executed and delivered (whether by facsimile, e-mail, or other electronic means) shall be deemed to be an original, and all of which taken together shall constitute one and the same instrument. A facsimile, PDF, or other electronic signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed), and shall be deemed an original signature for all purposes under this MOU.

ARTICLE V INSURANCE

5.1 Minimum Insurance Requirements. BAYCARE must maintain general and professional liability insurance in at least the aggregate amount of \$2,000,000.00, throughout the term of this MOU (whether via a policy of self-insurance or otherwise). Upon the request of County, BAYCARE must provide a Certificate of Insurance in accordance with the insurance requirements set forth in this Section.

IN WITNESS WHEREOF, the parties hereto have executed this MOU effective as of the date first stated above.

PINELLAS COUNTY

ATTEST:

By: _____
Witness

By: _____

ATTEST:

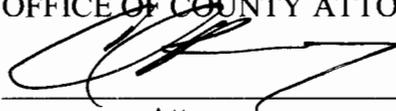
BAYCARE HEALTH SYSTEM, INC.

By: _____
Witness

By: _____

Stephen R. Mason
President & CEO

APPROVED AS TO FORM
OFFICE OF COUNTY ATTORNEY



Attorney