



CHARLIE CRIST
GOVERNOR

THOMAS W. ARNOLD
SECRETARY

May 13, 2010

(NAME)
(TITLE)
(PROVIDER NAME)
(ADDRESS LINE 1)
(CITY), Florida (ZIP)

Re: Florida's Medicaid Reform Section 1115 Demonstration: Special Term and Condition #105

Dear (SALUTATION NAME)

This letter is to remind you of the reporting requirement and due date for the Amended Special Term and Condition (STC) #105-2a. Each Low Income Pool (LIP) participating provider is now required to provide a description and funding amount for non-inpatient programs and services such as primary care or emergency room diversion supported by funding from the LIP. At a minimum the programs or services reported should be those implemented on or after beginning to receive LIP payments for FY 2009, as well as those programs expanded, enhanced or only able to continue due to the provider being eligible to participate in the LIP.

The new reporting criteria is a result of the recent amendment to the Special Terms and Conditions of the Florida Medicaid Reform 1115 Demonstration waiver (project No. 11-W-0000-5/4) that was approved on January 29, 2010, by the Centers for Medicare and Medicaid Services (CMS). The approval was effective February 1, 2010, and the amended STC #105-2a reads as follows:

Amended STC 105:

At the beginning of demonstration year 5, \$700 million will be available. At the beginning of demonstration year 5, an additional \$150 million will be available at the completion of milestones due on or before demonstration year 4 ending June 30, 2010. An additional \$150 million will be available at the completion of milestones due on or before October 31, 2010.

2) The Florida Agency for Health Care Administration will provide:

(a) A report of the LIP dollars currently allocated (by the State and/or health system) to participating providers that are within the operating budgets for



State fiscal year 2009 – 2010 (SFY) to fund alternative delivery systems that provide ambulatory and preventive care services in non-inpatient settings by May 31, 2010. The report will provide a baseline assessment of current administrative capabilities and develop a reporting process to prospectively track the use of LIP funds allocated to hospital entities and

subsequently used to fund uncompensated care in ambulatory and preventative care settings.

Reporting Requirements for the Providers:

The following information is required from each participating LIP provider for SFY 2009-10: *(Previous years may also be submitted.)*

- The total amount of LIP dollars received and anticipated by year.
- A narrative description for each of the non-inpatient programs or services that are provided by the participating provider, and the start date of the programs or dates of changes or expansions that were possible due to receipt of LIP funding.
- The funding amount that is budgeted or anticipated for each program or service each year.

The LIP report submitted to the Agency for Health Care Administration (Agency) must contain key information that is mentioned in the amended STC #105. Each provider is required to provide the Agency with detailed dollar amounts and a narrative process for the amount of LIP funding that is used to fund non-inpatient services as well as specific primary care services. For example: ABC Hospital receives a total of \$100,000 in LIP funding. Of these funds provided, \$50,000 is used in primary care clinics, while the remaining funds promote outreach programs and/or other programs that benefit from these LIP funds.

The Agency must receive the individual provider LIP 105.2a report **NO LATER THAN MAY 24, 2010**. LIP fourth quarter distribution payments will be retained until the report is received and payments will be processed once the report is received for each provider. A single report will be prepared and submitted of all providers to demonstrate that LIP dollars are currently being used by hospital providers to fund non-inpatient care through primary care and other initiatives to comply with the amended STC #105.2a due May 31, 2010. In addition, Federal CMS has indicated this report and the information required under the amended STC will serve as the supporting document for the continuation of the LIP and the level of funding authorized for future demonstration years. Therefore, your participation and timely response is needed as the Agency is required to submit the formal request and application for the three year waiver extension by June 30, 2010.

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We appreciate your support and efforts in working with our staff on Florida's Medicaid Reform Section 1115 Demonstration Wavier and look forward to a timely review and approval, as this will facilitate our ability to meet subsequent deadlines in STC #105. Should you have any questions, please contact Michele Hudson by phone at (850) 412-4076 or by email at michele.hudson@ahca.myflorida.com. We look forward to continuing to work with you.

Sincerely,

A handwritten signature in black ink, appearing to read "Roberta K. Bradford". The signature is fluid and cursive, with a large initial "R" and "B".

Roberta K. Bradford

Deputy Secretary for Medicaid

RKB/mh