

Meeting Minutes

**Low Income Pool (LIP) Council
July 28, 2008**

**Memorial Regional Hospital
3501 Johnson Street
Hollywood, Florida 33021
10:00am-3:00pm**

Members Present

- 1. Paul Belcher, Chairman**
- 2. Jeff Jones, Shands Hospital**
- 3. Tony Carvalho, Statutory Teaching Hospital Council**
- 4. Michael Gingras, Heath Management Associations**
- 5. Dee Schaeffer, Halifax Community Health System**
- 6. Mike Hutchins, Baptist Health Care**
- 7. Lewis Seifert, Adventist Health System (Phone)**
- 8. Charlotte Mather, North Broward Hospital District**
- 9. Dwight Chenette, Health Care District of Palm Beach County**
- 10. Hugh Greene, Baptist Health (Phone)**
- 11. John Benz, Memorial Health Systems**
- 12. Dave Ross, Tenet Health Systems**
- 13. Mike Marks, Hospital Corporation of America**
- 14. Steve Short, Tampa General Hospital (Phone)**
- 15. Pete Clarke, Orange County Government**

Members Absent

- 1. Marvin O'Quinn, Jackson Memorial Hospital**
- 2. Steve Mason, Baycare Health System**

Others Participating in Person

- 1. Lecia Behenna, AHCA**
- 2. Ami Flanigan, AHCA**
- 3. Wes Hagler, AHCA**
- 4. Michele Hudson, AHCA**
- 5. Phil Street, DOH**
- 6. Lance DaLaruelle, Bethesda Hospital**
- 7. Scott Davis, MHS**

8. Belita Moreton, Shands
9. Dave Musgrave, Shands Jacksonville
10. Scott Hopes, FACHS
11. Brian Jogerst, All Children's Miami Childrens
12. David Sierra, MHS
13. Diane Settle, Sarasota Memorial Hospital
14. Steve Bovo, MCH
15. John Owens, FHS
16. Dawn Credle, MHS
17. Jules Kariher, Sacred Heart
18. Kay Bowman, HCA
19. Vandana Pathak, Mount Sinai
20. Mary Beth Dyer, Shands
21. Jeanette Nunez, JMH
22. Ray Avededo, Pediatric Association
23. Christine Neuhoff, Shands
24. Arnie Stenberg, All Children's Hospital
25. Steve Sampier, MHS
26. Ed Mesco, Tenet
27. Kimberly McCoy, JHS
28. Lindy Kennedy, Safety Net Hospital Alliance
29. Carol Bracy, Smith and Ballard
30. Keith Arnold, J. Keith Arnold and Assoc.
31. Sarah Fitzgerald, Healthcare Financial Group, Inc.

Others Participating by Telephone

32. Holly Benson, AHCA
33. Clint Fuhrman, AHCA
34. Phil Williams, AHCA
35. Heather Wildermuth, FAC
36. Greg Tuberville, Smith and Ballard
37. Marty Lucia, Miami-Dade County Office of Countywide Healthcare Planning
38. Janet Perkins, Miami-Dade County Office of Countywide Healthcare Planning
39. Joe Horsey, HCA
40. Robert Butler, Wellcare
41. Steven A. Grigas, Akerman Senterfitt
42. Brian Bodi, Wuestoff
43. Janet Krail, SMH
44. Geoffrey Becker, Metz, Husband & Daughton, P.A.
45. Eric D. Prutsman, Prutsman & Associates
46. Kathy Holzer, FHA
47. Michael Sheedy, Florida Catholic Conference
48. Diane Dimperio, DOH
49. Deborah Breen, North Broward Hospital District
50. David A. Pizzi, BCBS

51. Gianluca (John) Martinelli, Pinellas County Health Department
52. Randy Lewis, Orange County
53. Katherine Durkin, DOH
54. Michael Carroll, TriBrook
55. Amy K. Guinan, Florida Legal Services
56. Lynthia Oratokhai, DOH
57. Amanda Daly, DOH
58. Melanie Michael, DOH
59. Davoelene Trusty, DOH
60. Nancy Flow, DOH

1. Welcome and Introductions

- Chairman Paul Belcher took roll-call of members present at the meeting and participating by phone
- Frank Sacco, President/CEO of South Broward Hospital District welcomed all attendees.

2. Opening Remarks from Holly Benson, Secretary, Agency for Health Care Administration

- Agency for Health Care Administration Secretary Holly Benson joined the meeting by telephone and thanked the LIP Council for all their hard work and dedication. She encouraged the LIP Council members to continue exploring options and alternatives during these difficult financial times in the State of Florida.

3. Agency update on Rates and Buy-backs for SFY 2008-09

- Michele Hudson discussed the hospital reimbursement rates for State Fiscal Year 2008-09 and how the Agency was applying the various buy-back provision instituted in the 2008-09 General Appropriations Act
- Internal discussions are being held at the Agency for Health Care Administration regarding language specific to workgroups on hospitals, nursing homes and reimbursement. Phil Williams stated the workgroup will provide updates on these meetings and that the due date for the final language is due from them on November 1, 2009.
- Paul Belcher's questioned the timeframe for IGT (Intergovernmental Transfers) contracts to which Michele Hudson answered that these are a priority upon return to the Agency and that all rate calculations should be ready by the end of August 2008. Paul requested a copy of these new exemption rates as soon as possible.
- Michele expressed the need for Council members to please consider making the LIP funding a priority and to then focus on buybacks. If there are counties

with concerns, please forward this information to the Agency expeditiously so as to ward off any delays.

- Dwight Chenette requested the Agency consider the Health Care District of Palm Beach proposal of LIP funds for a new hospital around Lake Okeechobee when working on buybacks and IGTs as this facility will provide services to a community which is impoverished and in danger of losing more farming land.
- Michele Hudson stated there will be two rate settings for SFY 2008-09. The first is currently underway and the second will be done in January 2009. The current rates should be finalized by the fall conference.
- Tony Carvahlo recommended recalculating the benchmark sheet from SFY 2007-08 and Michele Hudson states that this will be provided at the next Council meeting.

4. Agency Update on CMS inquiries on LIP, Status of Evaluation and Audits

- Michele Hudson informed the Council members that the Agency has not received a final approval from CMS on the Reimbursement and Funding Methodology. The Agency continues to work with CMS in an effort to move this process along. There is a high probability that there will be changes to the cost limit document, therefore until the cost limit charity care definition is clarified, Milestones will be the only requested document at this time. These changes will not be retroactive. The current due date for this is August 29, 2008.
- Scott Davis provided a brief update of the CMS audits that were performed at his facility. He informed the Council that CMS recommended using Departmental cost/charge ratio and not individual cost/charge ratio. John Benz recommended creating a workshop to develop transaction codes that will be utilized if the cost limit changes become effective within the next three years.

5. Agency Update on SFY 2007-08 and 2008-09 Payments and IGT Agreements Status

- Lecia Behenna informed the Council that the Agency is currently working on the Letters of Agreement for SFY 2008-09 which will be the priority upon return to the Agency. The remainder of the SFY 2007-08 payments will be released at the end of August 2008.

6. Review of Legislative Actions on LIP – Distribution of final spreadsheet for SFY 2008-09

- Lecia Behenna and Paul Belcher discussed the spreadsheet showing the final decision by Legislature for distribution of funds for SFY 2008-09. Dwight Chenette requested a formal letter from CMS on the operating revenue and

also requested the accounting to determine how the \$55 million loss in general revenue was redistributed.

The council called a break for lunch and reconvened at 1:15.

7. Update from Department of Health on Non-Hospital LIP programs for SFY 2008-09

- Phil Street discussed how the Legislature appropriated \$6.5 million to DOH in 2008-09 LIP funds to support primary care/emergency room diversion projects.

8. Overview of Health Intervention with Targeted Services (HITS) Program

- John Benz discussed the HITS program describing the three goals:
 1. Improvement of health status for community by linking the uninsured and underinsured to a medical home through Outreach
 2. Maximize the use of community, state and federal resources
 3. Reduce uncompensated care costs, avoidable hospital admissions and emergency room visits.

9. Overview of Florida's Financial Outlook for SFY 2009-10

- Paul Belcher presented on the Outlook of Florida's Economy. This presentation is available on the Low Income Pool Website.

10. Discussion of Overall Funding Priorities for LIP

- Lecia Behenna will compile and provide requested documents as needed.
- Tony Carvahlo questioned how IGTs are collected after the Council recommendations are appropriated to which was answered; of \$1 billion appropriated to LIP, \$875,000,000 is the rate of return (IGTs) and then money is funded back for exemptions.
- Dwight Chenette discussed the philosophy of projects regarding proposal protocols, guidelines, etc.

11. Action Items and Requested Documents from AHCA

- Models showing exemption number
- Percentage of cost for Medicaid
- Letter from CMS
- SFY 2007-08 to SFY 2008-09 General Revenue Recommendations
- Percentage of GR in Specific Categories
- Effects of Cigarette Tax

12. Final Comments/ Meeting Adjourned

