

LIP Council Meeting – November 28, 2007
SUMMARY OF SAFETY-NET/HOLD HARMLESS PAYMENTS
SFY 2001 - 02 THROUGH SFY 2007 - 08

Agenda Item 7

General Summary

- Total value of safety-net payments currently \$94,125,241
- Total payments include supplements for lost DSH funds, DSH/LIP Council recommendations & Legislative additions
- Total payments for supplements of lost DSH funds equals \$64,867,574
- Total payments for DSH/LIP Council & Legislative additions/reductions equals \$29,257,666

Notes to Safety-Net Schedule

SFY 2001-2002

- A. \$28,039,191 – Initial year allocation to five hospitals.

SFY 2002-2003

- B. \$1,087,745 – Safety-net payment to Mt. Sinai, based on the fact that the hospital used general revenue funds; they were currently receiving, in the Department of Health as the state match. Council recommendation.
- C. \$8,859,727 – Legislative additions to the safety-net payments.
- D. \$0 – This is a re-allocation of the initial year's safety-net payments approved by the DSH Council.
- E. \$37,563,723 – These are funds paid to the hospitals that were removed from the DSH program when DSH was converted to a public DSH program. The basis was to maximize IGTs for the UPL program due to federal changes in the 150% rule for public hospitals. Council recommendation.
- F. \$2,692,624 – Additional payments to hospitals for the loss of the financing fees. \$1,712,721 was for Shands Gainesville due to the legislature not wanting to pay a financing fee on general revenue, where they had received the funds in the prior year. This policy was reversed in the next year and the safety-net payment was eliminated. - \$979,903 for Tampa General Hospital was for the reduction in the financing fee from moving money from UPL to cover statewide issues. Council recommendation.
- G. \$4,354,975 – Distributions paid to the two children's hospitals to hold them harmless for eliminating the Children's DSH program. The Children's DSH program was eliminated in creation of the public DSH program for reasons

LIP Council Meeting – November 28, 2007
SUMMARY OF SAFETY-NET/HOLD HARMLESS PAYMENTS
SFY 2001 - 02 THROUGH SFY 2007 - 08

Agenda Item 7

described in Note E above. Council recommendation.

- H. \$2,690,000 – As part of balancing the UPL program, the “silos” were reduced and part of this reduction was put into a safety-net payment. Council recommendation.
- I. \$9,385,401 – Special legislative action for Shands Jacksonville, contingent on the funds being eliminated in the subsequent two years.

SFY 2003-2004

- J. (\$1,712,721) – The amount allocated to Shands Gainesville in Note F above was reversed. Council recommendation.
- K. For the 2003-04 year a cut was made to all “silo” payments of 10%, however the cut was not applied to funds that were a replacement for DSH payments. Council recommendation.
- L. (\$4,885,401) - First year reduction of special funds allocated to Shands Jacksonville in Note I above.
- M. (\$4,359,417) – To balance the UPL program for 2003-04, everyone’s safety-net payments (with some exceptions) were reduced by 10%. Council recommendation.
- N. \$1,090,330 – Additional funds added to the safety-net payments for Jackson Memorial Hospital and Broward General Hospital for reductions in their payments for the year to balance out the overall UPL program. Council recommendation.

SFY 2004-2005

- O. (\$4,885,401) – Final reduction of the special funds allocated to Shands Jacksonville.
- P. \$22,948,876 – These safety-net payments are for those hospitals removed from the DSH program when the GME and RPICC DSH programs were eliminated. The DSH funds were moved into the public DSH program. The purpose was to maximize the available IGTs for the UPL program to maintain the current program status and to fund increases in the ceilings. Council recommendation.

SFY 2005-2006

- Q. \$2,728,748 – Legislative additions to the safety-net payments.

LIP Council Meeting – November 28, 2007
SUMMARY OF SAFETY-NET/HOLD HARMLESS PAYMENTS
SFY 2001 - 02 THROUGH SFY 2007 - 08

Agenda Item 7

SFY 2006-2007 No Change

SFY 2007-2008

- R. (\$13,973,160) - LIP Council proportional reductions due to effect of FMAP changes, local funding, and projected costs for exemptions.
- S. \$2,000,000 – Legislative modifications to safety-net payments.