

## **Submissions to the Agency regarding Safety Net Hospital Definition, Criteria, and Parameters:**

From LIP Council Member Mike Marks:

The definition of a safety net hospital as defined by the National Association of Public Hospitals and Health Systems is:

"A safety net hospital or health system provides a significant level of care to low-income, uninsured, and vulnerable populations. Safety net hospitals are not distinguished from other providers by ownership; rather, they are distinguished from other providers by their commitment to provide access to care for people with limited or no access to healthcare due to financial, insurance, or health related circumstances."

This concept is simple and appropriate, therefore I would like to propose that a "safety net" hospital for the funding allocation in LIP be defined as:

**For LIP funding in the Safety Net pool any privately owned general acute care hospital that provides 20 percent or more of its adjusted patient days to Medicaid, Medicaid HMO and Charity Care patients is designated a Safety Net hospital.**

It is important to note that this definition is for LIP funding only. The dollars in this pool would be divided among the designated Safety Net Hospitals based upon the proportion of the hospital's Medicaid, Medicaid HMO and Charity Care patient days to the designated Safety Net Hospitals' total Medicaid, Medicaid HMO and Charity Care patient days. Teaching hospitals, Children hospitals, Public hospitals all have other designated pools of LIP or State DSH funding and this pool should be reserved for private hospitals.

If the LIP Council were to make a recommendation for a statutory change, which I do not recommend, the definition should be just simply any **general acute care hospital that provides 20 percent or more of its adjusted patient days to Medicaid, Medicaid HMO and Charity Care patients should be designated as a Safety Net Hospital.**

From the Safety Net Hospital Alliance of Florida—to be presented by LIP Council Member Gwen MacKenzie:

The Safety Net Hospital Alliance of Florida respectfully submits the following definition of "safety net hospital." A "safety net hospital" is a:

- Public Hospital;
- Statutory Teaching Hospital;
- Specialty Licensed Children's Hospital; or
- Non-Profit Hospital that is a designated State Regional
- Perinatal Intensive Care Center.

From Shands Healthcare—to be presented by LIP Council member William Robinson:

A hospital provider must be a Public Hospital; Statutory Teaching Hospital; Designated Children's Hospital; Designated Regional Perinatal Intensive Care Center; or meet at least one of the following three criteria to qualify for participation as a Safety Net provider:

Proposed criteria for participation:

- Medicaid/Charity Utilization - Demonstrate that audited Medicaid and Charity patient days as a % of its total adjusted patient days must equal or exceed one standard deviation above the mean for the period(s) utilized. Generally the hospital provides an open door policy to patients regardless of financial circumstances, insurance status or health condition.
- Specialized Services - Provide at least one of the following services which result in high cost specialized services to all members of the community: Designated Trauma services; Transplant services; or Burn care. A hospital qualified in specialized services must also provide an emergency department and access to outpatient services for Medicaid and Uninsured/Underinsured individuals as demonstrated in the LIP Milestone requirements.
- Financial Vulnerability -Demonstrate financial vulnerability by qualifying in two of the following three measures: 1) At least 50% of net patient revenues are derived from Medicare plus Medicaid ; 2) Within top 10% of hospitals that provide most Medicaid and Charity costs; 3) Within top 10% of the hospitals with the highest ratio of Medicaid and charity costs to Operating Expenses.

NOTE: This proposal assumes the commitment made to the private hospitals transferred out of the public disproportionate share pool in 2003 is either maintained (they are held harmless) or they are transferred back into the regular Medicaid DSH program.

From Lance Anastasio, President/Chief Executive Officer, Winter Haven Hospital, Via September 8, 2010 letter to LIP Council Chair; for discussion purposes:

See attached PDF document.