



**Summary**  
**Low Income Pool (LIP) Council**  
**Wednesday, January 24, 2011**  
**10:00 a.m. - 4:00 p.m.**

***Members Present***

Phil Williams, LIP Chairman  
William Robinson  
Steve Mason  
Hugh Greene  
Dee Schaeffer  
Dr. Joseph J. Tepas, III  
Charlotte Mather  
Mark Knight  
John Benz  
Clark Scott  
Lewis Seifert  
Dr. Mark Mckenney  
Mike Hutchins

***Members Absent***

Charles Colvert  
Stephen Purves  
Mike Marks  
Dave Ross

***AHCA Staff***

Michele Morgan  
Lecia Behenna  
Bill Perry  
Ryan Perry  
Nicole Maldonado

***Members Attending by Phone***

Michael Gingras  
Bill Little  
Steve Harr  
Gwendolyn MacKenzie  
Steve Short  
Dwight Chenette  
Kevin Kearns

**Welcome**

The Low Income Pool (LIP) Council meeting was conducted at the Agency for Health Care Administration (Agency) in Tallahassee, Florida. Mr. Phil Williams, LIP Chairman and Assistant Deputy Secretary for Medicaid Finance, opened the meeting at 10:00 a.m. The meeting began with a welcome and roll call of attending members on the call.

**Model presentations**

**Model 13B**

Mr. John Benz presented his Model 13B that included the following updates:

- Special LIP total \$96 million - pro rata reduction from Model 13 allocations
- LIP 4 return at 11%
- Keep Buybacks full thru cut 5 as in 13A
- Below the line at \$52.3 million gross
- Exemptions:

- Children's Hospitals 90%
- Categories (public, teaching, specialty, proviso, CHEP, trauma) at 70%
- Over 15% Medicaid/charity at 50%
- 11% to 15% 4.225% to balance

### **Model 14A and 14B**

Mr. Bill Robinson, Ms. Gwendolyn MacKenzie, and Dr. Joseph J. Tepas III presented Models 14A and 14B that included the following parameters:

- SFY 2010-11 6 month model as a base
- Special LIP funded at \$96 million. Reductions to be taken by proportionally cutting each category; with a maximum of \$1 million by provider.
- Buybacks
  - PSN Hospitals at \$61,701,484 (full for non traumas and partial for traumas)
  - Children's at \$23,428,200 (full)
  - Rurals at \$9,902,219 (full)
  - Trauma/ Teaching -30%
- Non Hospital Issues \$52,321,365 (as found in model 9A)
- Allocation factor 10%
- Exemptions
  - 90% - Children's hospitals
  - 75% - Statutory Teaching and Public Hospitals
  - 70% - Trauma, specialty, and designated GAA hospitals
  - 60% - Above 15 %
  - 55% - CHEP
  - 40% - 14.9% to 11%
- Rerun the model with the 75% exemptions moved to the 70% category

➤ The only difference in Models 14A and 14B being the level of exemptions funded.

### **Discussion**

The Council discussed combining Models 14A, 14B, and 13B to create Model 14D.

Model 14D requests the following parameters:

- Special LIP \$96 million
- Rural \$2.4 million
- Allocation Factor 11%
- Non-hospital \$56 million
- Buybacks= 14A, \$149.8 million

### Exemption Tiers

- 90% Children
- 75% Statutory Teaching
- 70% Trauma, Proviso, Specialty, and Publics
- 40% Those above 15%
- 30% CHEP and 11%-14.9%

Any adjustments to balance should be made on the 40% or 30% exemption tier.

As part of the Model 14D discussion the following models were removed from consideration by the presenters:

- Model 5A (Mr. Kevin Kearns)
- Model 9A (Mr. Bill Robinson)
- Model 11A (Ms. Gwendolyn MacKenzie)
- Model 12A (Dr. Joseph J. Tepas, III)
- Model 13A (John Benz)
- Model 13B (John Benz)
- Model 14A (Mr. Bill Robinson, Ms. Gwendolyn MacKenzie, and Dr. Joseph J. Tepas III)
- Model 14B (Mr. Bill Robinson, Ms. Gwendolyn MacKenzie, and Dr. Joseph J. Tepas III)

➤ Leaving Model 10A and 14D on the table

Mike Gingras went on record saying, "This model (14D) is taking a lot of money out of proportional pool and low level exemptions...I am not in agreement with this."

The Council concluded that the requested Model 14D and Model 10A are to be discussed and voted on at the January 27, 2011, LIP council meeting.

A motion was made by council member Ms. Dee Schaeffer and seconded by Dr. Joseph J. Tepas III that instructed the Agency to see what is needed for them to seek greater than \$1 billion per year LIP funding as part of the 1115 waiver extension request, or explore other means to maximize federal funding in Florida for treatment of low income individuals.

### **Closing Comments**

Mr. Phil Williams followed with closing comments to the Council. He noted the next LIP Council meeting is scheduled for January 27, 2011, to be held at the Agency for Health Care Administration (Agency) in Tallahassee, Florida, primarily by conference call.

### **Adjournment**

The January 24, 2011, LIP Council meeting was adjourned at 1:45 p.m.