FLORIDA AGENCY FOR HEALTH CARE ADMINISTRATION
Better Health Care for all Floridians

Summary
Low Income Pool (LIP) Council
Thursday, January 27, 2011
10:00 a.m. - 4:00 p.m.

Members Attending by Phone
William Robinson
Steve Mason
Hugh Greene
Dee Schaeffer
Dr. Joseph J. Tepas, III
Charlotte Mather
Mark Knight
Kevin Kearns
Bill Little
Clark Scott
Lewis Seifert
Dr. Mark Mckenney
Mike Hutchins
Mike Marks
Dave Ross
Michael Gingras
Steve Harr
Gwendolyn MacKenzie
Dwight Chenette

Members Present
Phil Williams, LIP Chairman
Steve Short
John Benz
Stephen Purves

AHCA Staff
Lecia Behenna
Bill Perry
Ryan Perry
Nicole Maldonado

Members Absent
Charles Colvert

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 10A

Mike Marks began the model discussion with a brief summary of his Model 10A to the Council. He explained that no changes were made to the model and had remained the same from the previous meeting.

- Hospitals considered as self funders for exemptions- does NOT include Jackson-(These hospitals will have to increase IGT's in order to continue the funding of LIP)
- 100% Safety-net payments with removal of $35 million one-time payment to Jackson
- 100% High Utilization Safety-net payments (based upon LBC Model)

- 100% Other Special Medicaid Payments
- IGT's for Self Funders of Exemptions $74,745,657
- IGT's were proportionally increased across the IGT providers to fully fund LIP & 80% Exemptions
- ROR on non-Self Funding IGT's is 8%
- Proportional pool is $42,542,004
- Exemptions for non-Self Funders are reduced proportionally to 80%
- DSH is at 100%
- $10 million Primary Care Grant is removed
- Buy-backs funded in LIP for Shands UF, Children's & Rural hospitals. All other Buy-backs are self funded

Model 14D

Model 14D evolved from Model 14A, Model 14B, Model 14C, and 13B. Many Council members provided feedback and helped with the development of Model 14D. However, Dee Schaeffer presented a quick overview of Model 14D. She then turned it over to questions.

- 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% (up) or 30% (down) exemption tier.

Model discussion and Voting

There was extensive discussion among members of the two final models, the positives and negatives of the models, and member preferences.

After comments came to an end, Chairman Williams asked the Council how it would prefer to vote. An agreement was reached; each Council member voted by voice vote for their preferred model.

The LIP Council recommendation on the approved funding model for SFY 2011-12 was not a unanimous decision. In adopting the final model for recommendation to the Agency, the Governor, and the Legislature, the Council vote on January 27, 2011, was as follows:

- 18 votes in favor of the adopted model, Model 14D,
- 3 votes for an alternative model, Model 10A,
- 1 member who did not vote for or against either model,
- 1 absent Council member, and
- 1 non-voting Agency representative serving as Chair

Model 14D was selected by majority vote as the adopted model.

As part of the wrap-up of the LIP Council's deliberations, the LIP Council made a motion regarding primary care funding within the Low Income Pool. In recognition of the recommendations from Governor Scott's Transition Team specific to reducing the primary care responsibilities of county health departments, and in recognition of the primary care funding needs in the state, the Council unanimously agreed to the inclusion of the following recommendation in this report:

Should the decision be made by the Legislature to decrease the county health department primary care functions, those primary care funds within the LIP program that are currently allocated through the Department of Health should be reallocated through the LIP program to other primary care provider entities such as federally qualified health centers and those hospitals operating primary care programs.

Closing Comments

Chairman Williams expressed his gratitude and appreciation for the Council for their commitment and dedication put forth in the development of SFY 2011-2012 Model.

Adjournment

The January 27, 2011, LIP Council meeting was adjourned at 11:26 a.m.