MEMORANDUM

Agenda Item No. 11(A)(57)

TO:	Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners	**DATE:**	March 3, 2009
FROM:	R. A. Cuevas, Jr. County Attorney	**SUBJECT:**	Resolution expressing concerns regarding SB 556, HB 285 and similar legislation that would abolish the Low Income Pool Council

The accompanying resolution was prepared and placed on the agenda at the request of Co-Prime Sponsors Commissioner Katy Sorenson and Commissioner Sally A. Heyman.

R. A. Cuevas, Jr.
County Attorney

RAC/jls

MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners

DATE: March 3, 2009

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 11(A)(57)

Please note any items checked.

_____ **"4-Day Rule" ("3-Day Rule" for committees) applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Bid waiver requiring County Mayor's written recommendation**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **Housekeeping item (no policy decision required)**

✓ **No committee review**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A)(57)
3-3-09

RESOLUTION NO. _____

RESOLUTION EXPRESSING CONCERNS REGARDING SB 556, HB 285 AND SIMILAR LEGISLATION THAT WOULD ABOLISH THE LOW INCOME POOL COUNCIL; URGING THE FLORIDA LEGISLATURE NOT TO PASS LEGISLATION THAT WOULD THREATEN FUNDING TO SUPPORT CHARITY CARE PROVIDED BY JACKSON HEALTH SYSTEM AND OTHER SAFETY NET HOSPITALS IN FLORIDA

WHEREAS, the Low Income Pool (LIP) was created by the Florida Legislature in 2005 as part of the Medicaid reform waiver, and the LIP is a pool of funds made up of contributions from local communities to maximize Medicaid revenues that are drawn down from the federal government; and

WHEREAS, the LIP Council makes recommendations to the Legislature on how to distribute federal, state and local Medicaid-related funds to those hospitals and clinics that provide the vast majority of care for the poor and uninsured; and

WHEREAS, just ten percent (10%) of the state's hospitals, represented by the teaching, public and children's safety net hospitals, provide more than half of the state's charity care; and

WHEREAS, in contrast, two-thirds of Florida hospitals, mostly private, for-profit hospitals, provide only twelve percent (12%) of Florida's charity care; and

WHEREAS, each year, the LIP Council makes recommendations to the Legislature the almost $2 billion in LIP should be distributed to those hospitals and other agencies that provide most of the care to charity patients, the uninsured and underinsured; and

WHEREAS, LIP Council members are appointed by the Secretary of the AHCA, and by law, the LIP Council consists of 17 members:

a. Three representatives of statutory teaching hospitals;

b. Three representatives of public hospitals;

c. Three representatives of nonprofit hospitals;

d. Three representatives of for-profit hospitals;

e. Two representatives of rural hospitals;

f. Two representatives of units of local government which contribute funding; and

g. One representative of family practice teaching hospitals; and

WHEREAS, currently, 20 counties voluntarily contribute over $800 million in local tax revenue to the state to finance the non-federal share of the LIP and its related Medicaid components, and these local taxes allow the state to draw down an additional amount in federal Medicaid matching funds that is more than $900 million; and

WHEREAS, while 20 counties provide local tax funds to help fund the program, the heaviest burden falls on the taxpayers of 10 counties, who contribute 94 percent of the local taxes to finance these programs, with Miami-Dade County taxpayers contributing the largest amount; and

WHEREAS, 37 counties in Florida do not currently contribute any tax dollars to the LIP, but still receive LIP funds; and

WHEREAS, the current LIP Council process works because the LIP program distinguishes between those hospitals that are providing the vast majority of charity care and those that provide a limited amount of this care; and

WHEREAS, the LIP Council is able to ensure that the hospitals that provide a disproportionately high volume of charity care receive the highest proportion of Medicaid-related federal, state and local funding; and

WHEREAS, the LIP Council makes recommendations in a public process that allows all interested parties to participate, make funding recommendations and review all materials and information considered by the LIP Council; and

WHEREAS, bills have been filed for consideration during the 2009 state legislative session that would abolish the LIP Council, SB 556 by Senator Don Gaetz and HB 285 by Representative Jimmy Patronis; and

WHEREAS, SB 556 and HB 285 would turn over to AHCA the responsibility for making recommendations to the Legislature on how to distribute LIP funds; and

WHEREAS, the attempt to abolish the LIP Council is an effort by for-profit hospital corporations to get a larger share of LIP funds by shifting funding away from safety net hospitals to for-profit hospitals; and

WHEREAS, abolishing the LIP Council would bypass an important step in the public process that allows the local communities that contribute more than $800 million in local taxes to the LIP to have a significant role in deciding how their taxpayers' money is spent; and

WHEREAS, abolishing the LIP Council would put these important decisions in the hands of a state agency; and

WHEREAS, abolishing the LIP Council would have a significant fiscal impact on Jackson Health System at a time when Jackson is already facing substantial fiscal challenges,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Expresses strong concerns regarding legislation that would abolish the Low Income Pool Council.

Section 2. Urges the Florida Legislature not to pass SB 556, HB 285 or similar legislation that would threaten funding to support charity care provided by Jackson Health System and other safety net hospitals in Florida.

Section 3. Directs the Clerk of the Board to transmit a certified copy of this resolution to the Governor, Senate President, House Speaker, the Chair and Members of the Miami Dade County State Legislative Delegation, Senator Don Gaetz, Representative Jimmy Patronis and the Secretary of the Agency for Health Care Administration.

Section 4. Directs the County's state lobbyists to oppose the legislation set forth in Section 1 above, and authorizes and directs that the 2009 State Legislative Package be amended to include this item as a Critical Priority.

The Co-Prime Sponsors of the foregoing resolution are Commissioner Katy Sorenson and Commissioner Sally A. Heyman. It was offered by Commissioner , who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Dennis C. Moss, Chairman
Jose "Pepe" Diaz, Vice-Chairman

Bruno A. Barreiro	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Barbara J. Jordan	Joe A. Martinez
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 3rd day of March, 2009. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By:_____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. MS for

Jess M. McCarty