

MEMORANDUM

Agenda Item No. 11(A)(25)

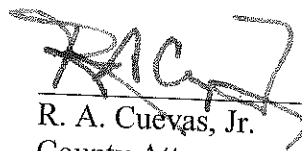
TO: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

DATE: January 21, 2015

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

SUBJECT: Resolution urging the Florida
Legislature to repeal or delay
the tiered hospital rate system
for distributing
intergovernmental transfer
funding and federal matching
dollars

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Audrey M. Edmonson.



R. A. Cuevas, Jr.
County Attorney

RAC/Imp



MEMORANDUM

(Revised)

TO: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

DATE: January 21, 2015

FROM: 
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County Attorney

SUBJECT: Agenda Item No. 11(A) (25)

Please note any items checked.

- "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
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's _____, 3/5's _____, unanimous _____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A) (25)
1-21-15

RESOLUTION NO. _____

RESOLUTION URGING THE FLORIDA LEGISLATURE TO
REPEAL OR DELAY THE TIERED HOSPITAL RATE
SYSTEM FOR DISTRIBUTING INTERGOVERNMENTAL
TRANSFER FUNDING AND FEDERAL MATCHING
DOLLARS

WHEREAS, Medicaid is a state and federal partnership established to provide coverage for health services for eligible persons; and

WHEREAS, to help fund Florida's multi-billion dollar Medicaid program, hospitals across Florida contribute hundreds of millions of dollars, known as intergovernmental transfers ("IGTs"), to the State through the Low Income Pool ("LIP") program; and

WHEREAS, the hospitals' contributions also draw federal matching dollars, in the hundreds of millions; and

WHEREAS, Jackson Health System is the largest public hospital in this state and the largest IGT contributor; and

WHEREAS, every year, Miami-Dade County taxpayers contribute more than \$398 million in local public healthcare funds through Jackson Health System to the State; and

WHEREAS, this \$398 million principal is returned to Jackson Health System plus a percentage of the federal match; and

WHEREAS, Jackson Health System's contribution generates more than \$336 million in additional funding for other hospitals, of which the state reallocates \$129 million to hospitals in Miami-Dade County and \$207 million to hospitals in every other region across Florida; and

WHEREAS, many hospitals receive LIP funding without contributing IGTs; and

WHEREAS, in 2011, the Florida Legislature passed Chapter 2011-134, Laws of Florida (HB 7107), reforming Florida's Medicaid system by creating the Statewide Medicaid Managed Care ("SMMC") program; and

WHEREAS, included in the 2011 legislation was a provision implementing a tiered hospital rate system that would take effect on July 1, 2014; and

WHEREAS, under the change, IGTs and the resulting federal match would be pooled and then redistributed to hospitals based on a three-tiered hospital rate system; and

WHEREAS, the Florida Legislature's Social Services Estimating Conference predicted that the three-tier payment formula would significantly increase risk and uncertainty for local public entities, resulting in those entities keeping local public health funds in their own communities, and as a consequence the entire state would lose federal funding; and

WHEREAS, the three-tier scheme would potentially reduce funding for Jackson Health System by \$142 million; and

WHEREAS, the three-tier scheme would reduce funding for the state's six largest teaching hospitals; and

WHEREAS, in 2014, the Florida Legislation included language in the budget implementing bill, Chapter 2014-53, Laws of Florida (HB 5003), which delayed the implementation of the tiered hospital rating system during state fiscal year 2014-15 until July 1, 2015; and

WHEREAS, without legislative action the tiered hospital rating system will take effect on July 1, 2015; and

WHEREAS, this Board would like to strongly urge the Florida Legislature to repeal or delay the tiered hospital rate system for distributing IGT funding and the resultant federal match,

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

Section 1. Urges the Florida Legislature to repeal or delay the tiered hospital rate system for distributing intergovernmental transfer funding and federal matching dollars.

Section 2. Directs the Clerk of the Board to transmit a certified copy of this resolution to the Governor, Senate President, House Speaker and the Chair and Members of the Miami-Dade State Legislative Delegation.

Section 3. Directs the County's state lobbyists to advocate for the passage of the legislation as set forth in Section 1 above, and authorizes and directs the Office of Intergovernmental Affairs to amend the 2015 State Legislative Package to include this item.

The Prime Sponsor of the foregoing resolution is Commissioner Audrey M. Edmonson.

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:

Jean Monestime, Chairman	
Esteban L. Bovo, Jr., Vice Chairman	
Bruno A. Barreiro	Daniella Levine Cava
Jose "Pepe" Diaz	Audrey M. Edmonson
Sally A. Heyman	Barbara J. Jordan
Dennis C. Moss	Rebeca Sosa
Sen. Javier D. Souto	Xavier L. Suarez
Juan C. Zapata	

The Chairperson thereupon declared the resolution duly passed and adopted this 21st day of January, 2015. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this Resolution and the filing of this approval with the Clerk of the 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.

MP

Matthew Papkin

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