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CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

MEMORANDUM

Agenda Item No. 11(A)(9)

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

DATE: September 16, 2015

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

SUBJECT: Resolution supporting Medicaid expansion in Florida pursuant to the Affordable Care Act and urging the Florida Legislature to pass legislation expanding Medicaid in Florida; preliminary identifying this issue as a critical County priority for the 2016 session

Resolution No. R-783-15

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Barbara J. Jordan.

R. A. Cuevas, Jr.
County Attorney

RAC/lmp

MEMORANDUM

(Revised)

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

DATE: September 16, 2015

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

SUBJECT: Agenda Item No. 11(A)(9)

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)(9)
9-16-15

RESOLUTION NO. R-783-15

RESOLUTION SUPPORTING MEDICAID EXPANSION IN FLORIDA PURSUANT TO THE AFFORDABLE CARE ACT AND URGING THE FLORIDA LEGISLATURE TO PASS LEGISLATION EXPANDING MEDICAID IN FLORIDA; PRELIMINARILY IDENTIFYING THIS ISSUE AS A CRITICAL COUNTY PRIORITY FOR THE 2016 SESSION

WHEREAS, Census Bureau figures show that 4.8 million Floridians, or 24.2 percent of the state's population, do not have health insurance, compared with 15.3 percent nationally; and

WHEREAS, the 111th United States Congress passed the Patient Protection and Affordable Care Act of 2010 ("Affordable Care Act"), and on March 23, 2010, the President signed the bill into law; and

WHEREAS, one of the key components of the Affordable Care Act required states to expand Medicaid to a minimum national eligibility threshold of 138 percent of the federal poverty level effective January 1, 2014; and

WHEREAS, this provision, however, was not upheld by the United States Supreme Court, in effect allowing states the option of whether or not to expand Medicaid; and

WHEREAS, under the Affordable Care Act, the federal government initially funds Medicaid expansion at 100 percent for the first three years; and

WHEREAS, states gradually would be required to pay a share of the costs of Medicaid expansion beginning in the fourth year, starting at five percent in calendar year 2017 with a peak state contribution of 10 percent in calendar year 2020; and

WHEREAS, on February 20, 2013, Governor Rick Scott announced that he would support a limited, three-year expansion of Florida's Medicaid program under the Affordable Care Act during the time when the federal government would pay 100 percent of the cost; and

WHEREAS, during the 2013 Florida legislative session, the House rejected the Senate's proposal, Senate Bill (SB) 1816 by Senator Joe Negron (R – Palm City), to expand Medicaid; and

WHEREAS, during the 2014 session, Senator Rene Garcia (R – Miami) sponsored SB 710, which would have expanded the number of Floridians who qualify for coverage using Medicaid expansion funding under the Affordable Care Act, through the Healthy Kids and Healthy Florida programs; and

WHEREAS, the identical House companion bill was House Bill (HB) 869, sponsored by Representative Amanda Murphy (D – New Port Richey); and

WHEREAS, neither SB 710 nor HB 869 received a committee hearing during the 2014 session and, as in the 2013 session, no bill related to Medicaid expansion pursuant to the Affordable Care Act passed the Florida Legislature; and

WHEREAS, during the 2015 session, the Florida Senate proposed the Florida Health Insurance Affordability Exchange Program, Senate Bill (SB) 7044, submitted by the Health Policy Committee, which would have used funds available under the Affordable Care Act to extend health care coverage to low-income Floridians earning up to 138 percent of the federal poverty level; and

WHEREAS, SB 7044 would have drawn more than $18 billion over 10 years in federal funds to expand the pool of low-income Floridians eligible for health insurance and help them buy it from private providers; and

WHEREAS, the Senate overwhelmingly passed SB 7044 in a 33-to-3 vote; however, the House failed to pass the bill; and

WHEREAS, the Florida Legislature continues to have an opportunity to expand Medicaid to cover an estimated 760,000 additional Florida residents; and

WHEREAS, if Medicaid is expanded, Florida would receive approximately $51 billion in federal funding over a nine year period, according to the Social Services Estimating Conference; and

WHEREAS, Medicaid expansion would provide those 760,000 Florida residents access to preventive and therapeutic health care services, improving health outcomes, social and behavioral outcomes, and the use of evidence-based medicine and best practices in health improvement plans; and

WHEREAS, enacting Medicaid expansion would ensure access to improved medical care benefits for low income, hard-working Floridians; and

WHEREAS, the vast majority of the 760,000 people who would qualify for coverage under Medicaid expansion are currently employed but do not have access to affordable employer-sponsored health insurance; and

WHEREAS, expanding Medicaid in Florida under the Affordable Care Act is made all the more important by the fact that hospital providers will experience significant reductions in Medicaid reimbursement over the next several years because of federal reductions to the Low-Income Pool (LIP) program, Medicaid Disproportionate Hospital Program and similar programs; and

WHEREAS, according to the May 21, 2015, letter from the Department of Health & Human Services to the Deputy Secretary for Medicaid for the State of Florida, Florida's LIP

funding authority will be capped at $1 billion in 2015-16 (a $1 billion reduction from 2014-15) and will be capped at $608 million in 2016-2017 (another $400 million reduction) ; and

WHEREAS, to compensate for the reductions in federal funding authority, the Legislature extracted nearly $400 million from the state's general revenue last session to replace the lost LIP funding that had been used to support patient care in Medicaid managed care organizations; and

WHEREAS, without this state general revenue to offset LIP losses, Medicaid managed care companies would not have been able to maintain "safety-net" hospitals in their networks and Medicaid patients across Florida could have been denied access to the lifesaving specialized care only available in safety-net hospitals, such as Jackson Health System, and

WHEREAS, the federal government's commitment to cut LIP from $1 billion to $608 million in fiscal year 2016-2017 will require additional general revenue to offset this significant loss; and

WHEREAS, state economists predict Medicaid will cost the state an additional $601 million in fiscal year 2016-2017, in large part because enrollment in the subsidized health care program is expected to grow; and

WHEREAS, the financial impact of not expanding Medicaid would be felt most acutely by the "safety-net" hospitals that serve uninsured and low-income families, such as Jackson Health System; and

WHEREAS, if funding reductions are not offset by Medicaid expansion, there will likely be reduced hospital services, job losses and a reduction in community investment; and

WHEREAS, the failure to enact Medicaid expansion would be a detriment to the health, social and behavioral outcomes for the 760,000 people that would qualify for coverage under

Medicaid expansion, as well as the economic health of their communities, limiting the economic development potential for the entire state of Florida; and

WHEREAS, additionally, failing to expand Medicaid hurts small businesses by exposing them to as much as $125 million in fines for uninsured workers who could have been covered through the new health care program; and

WHEREAS, if the Legislature moves forward with a plan to accept federal funding, Miami-Dade County health care providers would receive approximately $1 billion in funding services provided to newly insured County residents; and

WHEREAS, this Board would like to preliminarily identify expanding Medicaid in Florida as one of Miami-Dade County's critical priorities for the 2016 session,

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

Section 1. Supports Medicaid expansion in Florida pursuant to the Affordable Care Act and urges the Florida Legislature to pass legislation expanding Medicaid in Florida.

Section 2. Preliminarily identifies the issue set forth in Section 1 above as a critical County priority for the 2016 state legislative session.

Section 3. Directs the Clerk of the Board to transmit certified copies of this resolution to the Governor, Senate President, House Speaker, and the Chair and Members of the Miami-Dade State Legislative Delegation.

Section 4. Directs the County's state lobbyists to advocate for the passage of legislation as set forth in section 1 above, and authorizes and directs the Office of Intergovernmental Affairs to include this item in the 2016 State Legislative Package when it is

presented to the Board and to preliminarily identify this item as a critical priority when the Board determines priorities for the 2016 session as provided in Resolution No. R-764-13.

The Prime Sponsor of the foregoing resolution is Commissioner Barbara J. Jordan. It was offered by Commissioner **Rebeca Sosa**, who moved its adoption. The motion was seconded by Commissioner **Esteban L. Bovo, Jr.** and upon being put to a vote, the vote was as follows:

Jean Monestime, Chairman **aye**
Esteban L. Bovo, Jr., Vice Chairman **aye**

Bruno A. Barreiro	**absent**	Daniella Levine Cava	**absent**
Jose "Pepe" Diaz	**aye**	Audrey M. Edmonson	**aye**
Sally A. Heyman	**aye**	Barbara J. Jordan	**aye**
Dennis C. Moss	**aye**	Rebeca Sosa	**aye**
Sen. Javier D. Souto	**aye**	Xavier L. Suarez	**aye**
Juan C. Zapata	**absent**		

The Chairperson thereupon declared the resolution duly passed and adopted this 16th day of September, 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: **Christopher Agrippa**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. MP

Matthew Papkin