



July 31, 2015

Via email: flhospitalcommission@ahca.myflorida.com

Ms. Elizabeth Dudek
Secretary
Agency for Health Care Administration
2727 Mahan Drive
Tallahassee, FL 32308

Re: Hospital Contracting Certification

Dear Secretary Dudek,

On behalf of WellCare of Florida, Inc. d/b/a Staywell Health Plan ("WellCare" or the "Health Plan"), we acknowledge receipt of correspondence dated July 17, 2015, by which the Agency requested the Health Plan to certify that none of our contractual arrangements with hospitals are at or above 120% of the Medicaid fee schedule.

We certify that with the exception of the hospital entities listed below, WellCare's contracts with hospital providers are at a negotiated rate below 120% of the Medicaid fee schedule.

1. Hospital Systems contracted at 120% of the Medicaid fee schedule:

Naples Community Healthcare System, Hospital Corporation of America (HCA), Baptist Jacksonville

It is WellCare's understanding that rates at 120% of the Medicaid fee schedule are compliant with the law, including 409.975(6), F.S.

2. Hospital Systems contracted at a rate above 120% of the Medicaid fee schedule:

Tenet Healthcare System, as a whole, is below 110% of Medicaid. Within Tenet Healthcare System, there are two small volume hospitals located in Palm Beach County where compensation carve-outs may result in payments in excess of 120% Medicaid. Please note that this is not a region in which WellCare serves the Managed Medical Assistance (MMA) program.

Wellington Regional Medical Center (UHS) has contracted rates that result in compensation above 120% of Medicaid. This facility is located in Palm Beach County which is not a region in which WellCare serves the MMA program.

Please note that the issues regarding the BayCare contract were brought to the Agency's attention in a letter dated July 2, 2015 sent to Justin Senior. Specifically, in the BayCare agreement WellCare was contractually required to pay BayCare amounts that violated legislation regarding the Low Income Pool payments as well as 409.975(6), F.S.. Although BayCare was unwilling to enter into an amendment to bring these payments into compliance,



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effective June 1, 2015, WellCare begin paying BayCare below 120% of the Medicaid Fee Schedule to bring the payments into compliance.

We trust that the submission of this letter satisfies the Agency's request for a certification. Should you have any questions or if additional information is required, please contact me at your convenience.

Sincerely,

A handwritten signature in black ink that reads "Gregg MacDonald". The signature is written in a cursive style.

Gregg MacDonald
State President