

July 31, 2015

Florida Hospital Commission
ATTN: Elizabeth Dudek, Secretary
flhospitalcommission@ahca.myflorida.com

Dear Ms. Dudek:

Please accept this letter as response in follow-up to your correspondence directed to my attention dated July 17, 2015 related to the Statewide Medicaid Managed Care program.

Bayfront Health, St. Petersburg believes it is in compliance with the requirements of Chapter 409, Florida Statutes. Bayfront Health, St. Petersburg does not believe it is a party to any contractual arrangements with MMS Plans that contain Medicaid fee schedules that are at or above 120% of the Medicaid fee schedule. Out of an abundance of caution, Bayfront Health, St. Petersburg does believe that some of its contracts that pre-date the State's implementation of its Medicaid Managed Medical Assistance program contain terms that are not tied to Medicaid Allowable rates that may result in reimbursement in individual cases at rates higher than 120% of the Medicaid fee schedule. Examples of these terms include provisions governing the reimbursement of implants, high cost drugs, and high tech radiology. Our Hospital is currently engaged in renegotiating these pre-program contracts and expects to have them completed by no later than the fourth quarter, 2015.

Sincerely,



Kathryn J. Gillette
Market President/CEO