



July 31, 2015

Elizabeth Dudek, Secretary
Agency for Healthcare Administration
2727 Mahan Drive
Mail Stop #1
Tallahassee, FL 32308

Dear Ms. Dudek,

In response to your letter dated July 17, 2015, Lehigh Regional Medical Center believes it is in compliance with the requirements of Chapter 409, Florida Statutes. Lehigh Regional Medical Center 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 that were entered into after AHCA's implementation of the Managed Medicaid Assistance program.

Out of an abundance of caution, Lehigh Regional Medical Center 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

Joanie Jeannette
Chief Executive Office

Cc: Justin Pitt
Richard Willis