

Hospital Corporation of America

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Managed Government Programs

July 31, 2015

Florida Hospital Commission:

This letter is submitted on behalf of the HCA affiliated hospitals operating in the State of Florida in response to Secretary Elizabeth Dudek's letter requesting that hospitals receiving payments under Florida's Medicaid Managed Care Program certify compliance with the provisions of section 409.975(6), Florida Statutes.

The provisions of section 409.975(6) are as follows:

(6)PROVIDER PAYMENT.—Managed care plans and hospitals shall negotiate mutually acceptable rates, methods, and terms of payment. For rates, methods, and terms of payment negotiated after the contract between the agency and the plan is executed, plans shall pay hospitals, at a minimum, the rate the agency would have paid on the first day of the contract between the provider and the plan. Such payments to hospitals may not exceed 120 percent of the rate the agency would have paid on the first day of the contract between the provider and the plan, unless specifically approved by the agency. Payment rates may be updated periodically.

The contracts that HCA's affiliated hospitals have in place with managed care plans participating in Florida's Medicaid Managed Care Program fundamentally comply with the provisions of section 409.975(6), Florida Statutes. Moreover, due to the restructuring of the Low Income Pool (LIP) on July 1, 2014 and July 1, 2015, and the impact on Medicaid fee for service published rates associated with the LIP changes, we are also in the process of evaluating a small number of our contracts that are not based upon prevailing Medicaid fee for service structures, and adjusting them accordingly.

HCA's affiliated hospitals value their continuing ability to provide services to Florida's Medicaid recipients.

Sincerely,



Greg Allen  
Regional Vice President, HCA Managed Government Programs