

Close By. Far Better.

July 31, 2015

Mr. Scott Lowe Agency for Health Care Administration 2727 Mahan Drive Tallahassee, FL 32308

Dear Mr. Lowe:

Santa Rosa Medical Center believes it is in compliance with the requirements of Chapter 409, Florida Statutes. Santa Rosa 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, Santa Rosa 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. Santa Rosa Medical Center is currently engaged in renegotiating these "pre-program" contracts and expects to have them completed by no later than the fourth quarter, 2015.

Sincerely,

Doug Sills

Chief Executive Officer

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