

RECEIVED

SEP 07 2007

**MEDICAID
PROGRAM
ANALYSIS**

Letter of Agreement

THIS LETTER OF AGREEMENT made and entered into in duplicate on the 27th day of August, 2007, by and between Nassau County (the County), and the State of Florida, through its Agency for Health Care Administration (the Agency),

1. Per Senate Bill 2800, the General Appropriations Act of State Fiscal Year 2007-2008, passed by the 2007 Florida Legislature, County and the Agency, agree that County will remit to the State an amount not to exceed a grand total of \$87,662.

a) The County and the Agency have agreed that these funds will only be used to increase the provision of health services for the Medicaid, uninsured, and underinsured people of the County and the State of Florida at large.

b) The increased provision of Medicaid, uninsured, and underinsured funded health services will be accomplished through the following Medicaid programs:

- i. The Disproportionate Share Hospital (DSH) program.
- ii. The removal of inpatient and outpatient reimbursement ceilings for teaching, specialty and community health education program hospitals.
- iii. The removal of inpatient and outpatient reimbursement ceilings for hospitals whose charity care and Medicaid days as a percentage of total adjusted hospital days equals or exceeds 11 percent.
- iv. The removal of inpatient and outpatient reimbursement ceilings for hospitals whose Medicaid days, as a percentage of total hospital days, exceed 7.3 percent, and are trauma centers.
- v. Increase the annual cap on outpatient services for adults from \$500 to \$1,500.
- vi. Medicaid Low Income Pool (LIP) payments to rural hospitals, trauma centers, specialty pediatric hospitals, primary care services and other Medicaid participating safety-net hospitals.
- vii. Medicaid LIP payments to hospitals in the approved appropriations categories referenced as LIP1, LIP2, and LIP3.
- viii. Medicaid LIP payments to Federally Qualified Health Centers.
- ix. Medicaid LIP payments to Provider Access Systems (PAS) for Medicaid and the uninsured in rural areas.
- x. Medicaid LIP payments for the expansion of primary care services to low income, uninsured individuals.

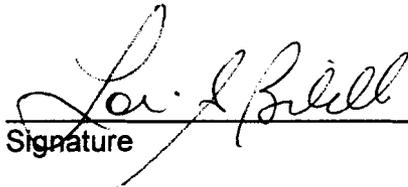
2. The County will pay the State an amount not to exceed the grand total amount of \$87,662. The County will transfer payments to the State in the following manner:
 - a) The first quarterly payment of \$21,917 for the months of July, August, and September is due upon notification by the Agency.
 - b) Each successive payment of \$21,915 is due no later than, December 31, 2007, March 31, 2008 and June 15, 2008.
 - c) The State will bill the County each quarter payments are due.
3. The anticipated annual distribution to St Johns River Rural Health Network for State Fiscal Year 2007-2008 is \$203,062.
4. The County and the State agree that the State will maintain necessary records and supporting documentation applicable to Medicaid, uninsured, and underinsured health services covered by this Letter of Agreement. Further, the County and State agree that the County shall have access to these records and the supporting documentation by requesting the same from the State.
5. The County and the State agree that any modifications to this Letter of Agreement shall be in the same form, namely the exchange of signed copies of a revised Letter of Agreement.
6. The County confirms that there are no pre-arranged agreements (contractual or otherwise) between the respective counties, taxing districts, and/or the providers to re-direct any portion of these aforementioned Medicaid supplemental payments in order to satisfy non-Medicaid, non-uninsured, and non-underinsured activities.
7. The County agrees the following provision shall be included in any agreements between the County and local providers where funding is provided for the Medicaid program. Funding provided in this agreement shall be prioritized so that designated funding shall first be used to fund the Medicaid program (including LIP) and used secondarily for other purposes.
8. This Letter of Agreement covers the period of July 1, 2007 through June 30, 2008.

WITNESSETH:

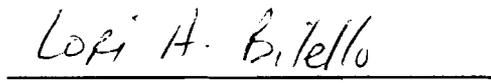
IN WITNESS WHEREOF the parties have duly executed this Letter of Agreement on the day and year above first written.

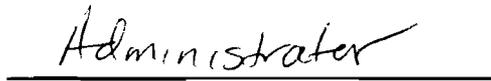
Nassau County (SJRRHN)

State of Florida

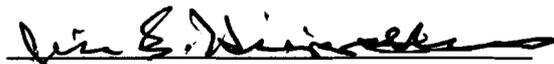

Signature


Carlton D. Snipes
Assistant Deputy Secretary for Medicaid Finance
Agency for Health Care Administration

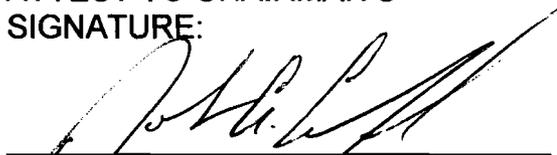

Name


Title

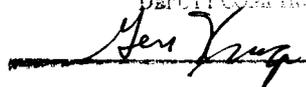
**BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA**


JIM B. HIGGINBOTHAM
Its: Chairman

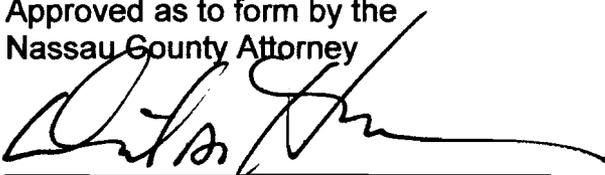
**ATTEST TO CHAIRMAN'S
SIGNATURE:**


JOHN A. CRAWFORD
Its: Ex-Officio Clerk

REVIEWED BY GENE KNAGA
DEPUTY COMPTROLLER

 DATE 8/29/07

Approved as to form by the
Nassau County Attorney


DAVID A. HALLMAN

| Local Government Intergovernmental Transfers | |
|---|------------------------------------|
| Program / Amount | State Fiscal Year 2007-2008 |
| DSH* | |
| LIP | |
| Exemptions | |
| Statewide Issues | |
| Nursing Home SMP | |
| Total Funding | \$87,662 |

*Included in the Low Income Pool (LIP) 2 category methodology.