



The Florida Senate

Local Funding Initiative Request - Fiscal Year 2018-2019

1. **Title of Project:** Flagler Hospital (St. Johns County) Sole Community Medicaid Rate

2. **Senate Sponsor:** Travis Hutson

3. **Date of Submission:** 12/01/2017

4. **Project/Program Description:**

Flagler Hospital Sole Community Medicaid Rate Enhancement: Last year, Flagler Hospital St. Augustine became the last of seven sole community hospitals to be included in this Medicaid enhancement. At Flagler Hospital, 80% of the current payor mix reimburses at/below cost, if at all. Currently, care for nearly all of the indigent patients is within a 50 mile radius. Flagler Hospital is the only anchor for healthcare services in St. Johns County. The hospital offers critical and much needed mental health and substance abuse services as well as NICU services despite the significant losses due to Medicaid and an indigent population. Flagler Hospital remained open during Hurricanes Matthew and Irma and incurred a seven figure loss due to the storms. This funding would allow for continued care for the Medicaid population.

5. **State Agency Contacted?** Yes

a. If yes, which state agency? Agency for Health Care Administration

b. If no, which is the most appropriate state agency to place an appropriation for the issue being requested?

6. **Amount of Non-recurring Requested for fiscal year 2018-19:**

Amount Requested for Operations	Amount Requested for Fixed Capital Outlay	Total Amount of Requested State Funds
2,480,485		2,480,485

7. **Type, amount and percent of matching funds available for this project for fiscal year 2018-19:**

Type	Amount	Percent
Federal	3,982,478	61.6%
State (excluding the amount of this request)	0	0.0%
Local	0	0.0%
Other	0	0.0%
TOTAL	3,982,478	61.6 %

8. **Total Project Cost for fiscal year 2018-19 (including the Total Amount of Requested State Funds):** 6,462,963

9. **Previous Year Funding Details:**



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- a. Has funding been provided in a previous state budget for this activity? Yes
- b. In the previous 5 fiscal years, how many years was funding provided? (Optional) 1
- c. What is the most recent fiscal year the project was funded? 2017-18
- d. Were the funds provided in the most recent fiscal year subsequently vetoed? No
- e. Complete the following Worksheet.

FY:	Input Prior FY Appropriation for this project for FY 2017-18		
	(If appropriated in FY 2017-18 enter the appropriated amount, even if vetoed.)		
Column:	A	B	C
Funds Description:	Prior Year Recurring Funds *	Prior Year Nonrecurring Funds *	Total Funds Appropriated (Column A + Column B)
Input Amounts:		2,480,485	2,480,485

10. Is future-year funding likely to be requested?

Yes

- a. If yes, indicate non-recurring amount per year.

\$2,480,485

11. Program Performance:

- a. What is the specific purpose or goal that will be achieved by the funds requested?

This funding will allow for payment parity for Florida's 7 sole community hospitals. The funds provided in the Medicaid enhancement will be used to pay salaries and benefits to clinical and medical professionals who provide care to patients. The hospital's most recent audit in 2016 demonstrates costs that are approximately \$9 million over current Medicaid reimbursement. Flagler Hospital will subsidize more than \$7 million in costs for care provided to indigent patients who do not qualify for Medicaid and truly cannot afford to pay for the necessary care received.

- b. What are the activities and services that will be provided to meet the intended purpose of these funds?

This funding allows for continued payment parity for Florida's seven sole community hospitals. These dollars allow the sole community hospitals to receive funding that meet the needs of the Medicaid/indigent population that are often the most neglected in the healthcare system. The continued funding will allow for the following services: meeting the needs of the workforce for the state that will assist both the employer and employee; the ability for patients to receive needed healthcare services that will allow for them to return to a productive life outside of a health facility; providing the only NICU services within a 50 mile radius; ability to continue to serve more patients and/or maintain the current programs and abilities of the hospital to serve the population



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including the indigent; and continue growth in mental health and substance abuse programs to fight addictions like opioid addiction. Also subsidizing outpatient/inpatient mental health.

c. How will the funds be expended?

Spending Category	Description	Amount
Administrative Costs		
<input type="checkbox"/> Executive Director/Project Head Salary and Benefits		
<input type="checkbox"/> Other Salary and Benefits		
<input type="checkbox"/> Expense/Equipment/Travel/Supplies/Other		
<input type="checkbox"/> Consultants/Contracted Services/Study		
Operational Costs		
<input checked="" type="checkbox"/> Salary and Benefits	The funds provided in the Medicaid enhancement will be used to pay salaries and benefits to clinical and medical professionals who provide care to patients. The most recent audit in 2016 estimated that Flagler Hospital’s costs are \$9 million over current Medicaid reimbursement. Flagler Hospital will subsidize more than \$7million in costs for care provided to indigent patients who do not qualify for Medicaid and truly cannot afford to pay for the necessary care received.	2,480,485
<input type="checkbox"/> Expense/Equipment/Travel/Supplies/Other		
<input type="checkbox"/> Consultants/Contracted Services/Study		
Fixed Capital Construction/Major Renovation		
<input type="checkbox"/> Construction/Renovation/Land/Planning		



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Engineering		
TOTAL		2,480,485

d. What are the direct services to be provided to citizens by the appropriations project?

All medically needed hospital services for individuals enrolled in Florida Medicaid that include but not limited to NICU services, mental health serices, substance abuse services, and internal medicine. Flagler Hospital remianed open during Hurricanes Matthew and Irama and incurred a seven figure loss due to the impact of the storms.

e. Who is the target population served by this project? How many individuals are expected to be served?

The people of Saint Johns County, Putnam County, and Flagler County. Flagler Hospital is the only hospital in St. Johns County and is an anchor in the community. These people include the elderly, persons with poor mental health, persons with poor physical health, jobless persons, economically disadvantaged persons, at-risk youth, homeless, the developmentally disabled, physically disabled persons, drug users, preschool students, grade school students, high school students, college/university students, incarcerated people, drug offenders, and victims of crime. Flagler also provides services to newborns through its Neonatal Intensive Care Unit (NICU) and is the only NICU within a 50 mile radius. Thousands of people will be served in the region.

f. What is the expected benefit or outcome of this project? What is the methodology by which this outcome will be measured?

Current patient care met at the hospital compared to services once they receive sole community dollars. Workforce additions and program expansions due to added dollars. Number of Medicaid and indigent patients served. Current funding employment numbers to employee numbers (including retention) with new funding amounts. Comparison of the median income for an area and the salary opportunities in the programs throughout the hospital. Also, comparison of health needs met by the patients and their ability to return to work in a faster manner.

g. What are the suggested penalties that the contracting agency may consider in addition to its standard penalties for failing to meet deliverables or performance measures provided for in the contract?

Withhold funding methodology if deliverables aren't realized.

12. The owner(s) of the facility to receive, directly or indirectly, any fixed capital outlay funding. Include the relationship between the owner(s) of the facility and the entity.

None

13. Requestor Contact Information:

- a. **Name:** Jason Barrett
- b. **Organization:** Flagler Hospital
- c. **Email:** Jason.Barrett@flaglerhospital.com
- d. **Phone Number:** (941)819-4400



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14. Recipient Contact Information:

a. Organization: Flagler Hospital

b. County: Saint Johns

c. Organization Type:

- For Profit
- Non Profit 501(c) (3)
- Non Profit 501(c) (4)
- Local Entity
- University or College
- Other (Please specify)

d. Contact Name: Jason Barrett

e. E-mail Address: Jason.Barrett@flaglerhospital.com

f. Phone Number: (941)819-4400

15. If there is a registered lobbyist, fill out the lobbyist information below.

a. Name: Mark Pinto,

b. Firm: The Fiorentino Group

c. Email: mpinto@thefiorentinogroup.com

d. Phone Number: (941)773-9638