



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#22-0876

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Greg Chavarria, City Manager

DATE: September 22, 2022

TITLE: Motion Approving the City of Fort Lauderdale's Fire Rescue Department's
Participation in the Supplemental Payment Program for Medicaid
Managed Care Patients with the State of Florida's Agency for Health Care
Administration - **(Commission Districts 1, 2, 3 and 4)**

Recommendation

Staff recommends the City Commission approve the City's participation in an Intergovernmental Transfer (IGT) program between the City of Fort Lauderdale and the State of Florida (State) to provide supplemental payment for Medicaid Managed Care patients and authorize the City Manager to execute the Public Emergency Medical Transportation Letter of Agreement with the State.

Background

This program provides for supplemental payments for allowable costs that are in excess of other Medicaid revenues received for emergency medical transportation services to Medicaid eligible recipients.

There are two (2) types of Medicaid transports. The "Fee for Service" transports are billed and collected directly from the State of Florida's Agency for Health Care Administration (AHCA). The second type of transports are billed and collected from the Managed Care Organizations (MCO) providers working under contracts with AHCA. The average reimbursement for the services per Medicaid patient is approximately \$150 per transport. This amount is significantly lower when compared to the average reimbursements for Medicare and private health insurance patients and the actual costs associated with Emergency Medical Transports. The average reimbursements for Medicare and private health insurance patients are \$384 and \$545, respectively.

In 2016 the State authorized the creation of a Certified Public Expenditure (CPE) program to provide supplemental payments to publicly owned and operated emergency medical transportation providers for Medicaid "Fee for Service" patients transport to local hospitals. This program leverages the approximately 60.05% share of Federal Medicaid reimbursement by allowing the State to certify the public expenditure incurred by the Fort Lauderdale Fire Rescue as the State share. Fort Lauderdale Fire Rescue currently

receives supplemental payments for Medicaid “Fee for Service” patients through the CPE program and has generated an additional \$5.34 million since 2017.

In 2019, the State Legislature authorized the expansion of the program to include the Medicaid Managed Care population (State Bill 2500, signed by the Governor on 6/21/2019). In June 2020, the State Legislature appropriated \$89M (State Bill 5001) on 6/29/2020 for the State Fiscal Year.

Unlike the “Fee for Service” Medicaid transports, current transport fee revenues are billed and collected through the Managed Care Organization (MCO) providers. The supplemental payment program requires agreements with AHCA and the contracted Managed Care Organization (MCO) providers. Unlike the current CPE (PEMT) program which required no appropriation for the State share, these revenue and expense submissions for Medicaid Managed Care transports are funded through an IGT (Intergovernmental Transfer) cash match with a federal fund contribution. The reimbursement of submitted expenses will be through AHCA (Agency for Health Care Administration) via the MCO (Managed Care Organizations). Exhibit 2 lists the eligible governmental agencies that currently participate in this program.

In order to leverage the approximate 60.05% federal share, the Fort Lauderdale Fire Rescue Department, along with other participating providers, will provide the State share through an IGT, and later be reimbursed by the Medicaid Managed Care providers. The State of Florida (AHCA) will collect the IGT’s from each participating provider, submit the total State Share to the Federal Government (CMS – Centers for Medicaid and Medicare Services). The designated IGT contribution provided by the City of Fort Lauderdale is estimated at \$963,177.81. The Federal Government will then provide the Federal Share back to AHCA. AHCA which will in turn then distribute the funds to the Managed Care Organizations (MCO’s) for distribution back to the participating providers. It is anticipated that the City will receive \$2,410,958.22 in revenues which will realize an approximate \$1,447,750.41 in net revenue, reflecting the approximate 60.05% Federal Share and the 39.95% percent State share of the program. To date, the city has received \$2,130,466 by participating in this program.

To be eligible for this reimbursement program, the qualifying agency must have been a participant in the most recent PEMT reimbursement program and must also be a “non-Medicaid governmental agency”. In addition, each participating agency must sign and execute Letter of Agreements with the respective MCO entities within each Medicaid Region within the State of Florida (Exhibit 1).

At its meeting of July 7, 2020, the City Commission approved a motion authorizing the City Manager to execute Letters of Agreement with the Managed Care Organizations under contract with the State of Florida’s Agency for Health Care Administration (CAM 20-0505).

At its meeting of September 15, 2020, the City Commission approved a motion authorizing the City of Fort Lauderdale’s Fire Rescue Department’s Participation in the Supplemental Payment Program for Medicaid Managed Care Patients with the State of Florida’s Agency for Health Care Administration. (CAM 20-0717).

At its meeting of September 21, 2021, the City Commission approved a motion authorizing the City of Fort Lauderdale's Fire Rescue Department's Participation in the Supplemental Payment Program for Medicaid Managed Care Patients with the State of Florida's Agency for Health Care Administration. (CAM 21-0906).

Resource Impact

There is no current year fiscal impact for FY2022.

In FY2023, the designated IGT contribution provided by the City of Fort Lauderdale is estimated at \$963,177.81. The Federal Government will then provide the Federal Share back to AHCA. AHCA which will in turn then distribute the funds to the Managed Care Organizations (MCO's) for distribution back to the participating providers. It is anticipated that the city will receive \$2,410,958.22 in revenues which will realize an approximate \$1,447,750.41 in net revenue.

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2024* initiative, included within the Public Safety Cylinders of Excellence, specifically advancing:

- The Public Safety Focus Area
- Goal 6: Build a safe and well-prepared community.
- Objective: Provide quick and exceptional fire, medical, and emergency response.

This item advances the *Fast-Forward Fort Lauderdale Vision Plan 2035: We Are Here*.

Attachments

Exhibit 1 – Public Emergency Medical Transportation Letter of Agreement

Exhibit 2 – FL PEMT MCO IGT Participant List

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