

August 19th, 2024

Board of Trustees
North Lake County Hospital District

Re: Funding Request/Allocation

Dear Board Members:

All the providers in the District continue to face many challenges while still providing great care to the communities they serve. Distributions of District funds to providers are based on actual qualified claims, which in the most recent years have been difficult to predict and obtain all the necessary documentation from the patients. We believe that this will continue to be the case in the near future. In addition, over the last several years we have chosen to allocate our resources in a manner that does not seek qualification or claims beyond what the district has allocated. Thus, our historic claims provided to the district for funding do not actually reflect the need or cost of providing services to North Lake County Residents with no other means to pay for the care. However, we have reviewed the last FY cost of the care provided to North Lake County Residents who may have qualified for reimbursement by the District and calculated a cost (not profit) of approximately 5.1 million dollars spent in providing that care. Therefore, we request the District Board consider that 5.1 million dollars of cost when determining the allocation of funds in this year's budget and when setting the mileage.

However, we anticipate the need of all the providers will be more than the funds raised by the actual mileage set by the District and certainly more than any rollback rate; thus, we recommend and support fully allocating funding requests to the free clinics and LifeStream and split the remaining available funds between the comprehensive acute care hospitals in the district. This is consistent with historical application of the funding and the fairest way to ensure funding is available to both acute care hospitals. Any unspent funds by one hospital would be provided to all other hospitals and clinic providers at the end of the year, if their submissions exceed their respective allocation.

Further, eligible providers, such as UF Health Leesburg Hospital, may also have the opportunity to participate in the State of Florida Low Income Pool funding. It may be necessary, and as provided for in the District's legislation, that eligible providers request that the District send its allocated dollars to the State of Florida in the form of intergovernmental transfers and sign letters of agreement. This will enable the State of Florida to draw down additional funds from the federal government that will then be used to provide additional support to the providers.

While the exact process and amount of potential dollars is still being determined by the State of Florida and the Agency for Health Care Administration, we do know that every dollar determined necessary will be very important to the State and providers. We therefore also request that, upon the request of eligible providers, the Chairperson of the District again, as in the past, be granted the authority to enter into letters of agreement to secure additional dollars for Low Income Pool funding up to the amount allocated to that eligible provider.

August 19th, 2024

Page 2

Finally, we request the opportunity provide you with additional information and data about the important services UF Health Leesburg Hospital provides, at the August Meeting. We look forward to further discussions and information sharing where we hope to answer any questions you may have. In the meantime, should you have any questions or want additional information, please feel to reach out to me.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Phil Braun', written over a horizontal line.

Phil Braun, VP/GC

Legal Department

UF Health Central Florida

352-323-5924

Pbra0001@shands.ufl.edu