MSL
Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES TO INDIGENT CARE REIMBURSEMENT SUBMISSIONS

To the Trustees of North Lake
County Hospital District (the "District"):

We have performed the procedures enumerated below, which were agreed to by the District, solely to assist it with respect to the compliance of submissions received under HB 1299 (the "Bill") for the period October 1, 2021 through December 31, 2021.

The Board of Trustees (the "Trustees") of the District is responsible for the approval and disbursement of funds under the Bill.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Trustees. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Purpose of the Procedures

Any provider receiving funds from the District is subject to a verification of its records related to the patients for whom payment is sought to ensure compliance with the Bill. The District must conduct verification procedures of providers receiving payments in excess of 10% of the District's tax revenue in each year and may perform verifications of any other provider submissions under the Bill to ensure compliance and accountability to the taxpayers. If, upon completion of the verification procedures, it is determined that payments were made by the District that are not in compliance, the District is entitled to a recoupment of the amounts in question. We were retained by the District to perform certain agreed-upon procedures designed to meet the verification requirements of the Bill.

Agreed-Upon Procedures

It was agreed that our engagement would be limited to the following procedures:

1) Determine a statistically valid sample size (producing results that could be extrapolated with a 95% confidence level) for each health care provider.

2) Interview the provider personnel responsible for the preparation of the indigent care report and update our understanding of the sources of information used to prepare the report, and the controls used by the provider, to ensure that each eligible indigent encounter is recorded and that each recorded indigent encounter is eligible, properly valued, and medically necessary.

3) Obtain the quarterly report submitted by each provider, identifying their indigent care encounters. Verify the accuracy of any mathematical calculations in the reports and, on a test basis, agree the report information to the provider's source documents.

4) For each sample encounter, agree the encounter information to its source in the provider's system. Additionally, obtain the patient file and review it for:

   a) Documentation supporting patient eligibility - that is, qualification pursuant to the provisions of the Florida Health Care Responsibility Act, Section 154.304(9), Florida Statutes, and the Florida Health Care Indigency Eligibility Certification Standards, Florida Administrative Code, Rule 59H-1.0035(30).

   b) Documentation that the recipient of the indigent care for which payment is sought is a resident of the District.

   c) Documentation supporting medical eligibility - that is, the presence in the file of an appropriately authorized script or order from an appropriately licensed health care practitioner.

5) For each sample encounter, look up the procedure code on the Medicare fee screen. Using the cost-to-charge ratio from the provider's most recently filed cost report, determine the lower of the Medicare reimbursement rate for identical, or substantially similar, care in the territory of the District or the cost incurred by the provider in the delivery of such care.

6) Communicate with the provider's compliance officer regarding the results and findings of the provider's most recently completed accreditation, peer reviews, and audits by government agencies or others that may indicate that unnecessary procedures may have been performed and report such findings, if any, to the District's management.

7) Obtain a written representation letter from the provider's management stating that they have reviewed the quarterly indigent care report, accept responsibility for it, and certify, under penalty of perjury, that the eligibility verification procedures adopted by the District have been complied with and that they, in good faith, believe that the persons for which they are claiming indigent care reimbursement from the District are qualified under the Bill.

8) Report to the District the results from performing these agreed-upon procedures.

9) Annually, report to the District summarizing the results of the agreed-upon procedures.

Findings

The following providers submitted funding requests under the Bill for the period October 1, 2021 through December 31, 2021:

- AdventHealth Waterman Hospital
- UF Health Leesburg Hospital
- St. Luke's Medical Clinic
- UF Health d/b/a Community Medical Care Center
- Community Health Center
- AdventHealth Waterman Hospital d/b/a AdventHealth Waterman Community Clinic
- LifeStream Behavioral Center
- LifeStream Primary Care Clinic

Based on the results of our testing procedures, the reimbursable amounts by provider are as follows:

Provider	Amount
UF Health Leesburg Hospital	$ 1,002,821
AdventHealth Waterman Hospital	843,580
LifeStream Behavioral Center	307,193
St. Luke's Medical Clinic	1,085
Community Medical Care Center	34,720
AdventHealth Waterman Community Clinic	17,360
Community Health Center	68,794
LifeStream Primary Care Clinic	3,720
Total	$ 2,279,273

Other Comments

Our work consisted of the performance of agreed-upon procedures. We were not engaged to, and did not, conduct an audit or examination, the objective of which would be the expression of an opinion. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The U.S. Department of Health and Human Services ("HHS"), using funds received from the Coronavirus Aid, Relief, and Economic Security ("CARES") Act, has created a Provider Relief Fund to assist health care providers in the form of grants and loans for needed cash flow to offset the cost of necessary medical supplies, increased labor and other costs, and potentially lost revenue resulting from the pandemic. A portion of the Provider Relief Fund has been used to establish a program that will pay health care providers for treatment of uninsured COVID-19 patients and will be administered by the federal government's Health Resources and Services Administration ("HRSA"), a division of HHS. Providers enrolling in the HRSA COVID-19 Uninsured Program will be required to agree to the conditions of participation and will be paid for their services at Medicare program rates. Accordingly, we will request written representations from the District's providers that their submissions for reimbursement from the District were not also eligible for reimbursement from the HRSA COVID-19 Uninsured Program. We may also perform additional procedures to verify the representations received.

Pursuant to Florida law, this report is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this report is intended solely for the information and use of the District's Board of Trustees and is not intended to be, and should not be, used by anyone other than the District's Board of Trustees.

MSL, P.A.
Certified Public Accountants

Orlando, Florida
May 9, 2022

North Lake County Hospital District
Schedule A
Quarter Ended December 31, 2021

	Fiscal Year July 1, 2021 - June 30, 2022				Quarter Ended December 31, 2021				
Provider	**Annual Budgeted Amounts**	**Amount Submitted to Date**	**Amount Remaining in Budget**	**Amount over Budget**	**Submissions**	**Number of Encounters/ Days**	**Reimburse per Encounter**	**% of Total Encounters**	**% of Total Dollars**
Acute Care									
UF Health Leesburg Hospital - Inpatient		$ 1,066,999			$ 800,558	73	$ 10,967	5%	35%
UF Health Leesburg Hospital - Outpatient		$ 222,028			$ 202,263	174	$ 1,162	11%	9%
UF Health Leesburg Hospital	$ 1,181,334	$ 1,289,027	$ -	$ 107,693	$ 1,002,821	247	$ 4,060	16%	44%
AdventHealth Waterman Hospital - Inpatient		$ 1,215,835			$ 660,778	58	$ 11,393	4%	29%
AdventHealth Waterman Hospital - Outpatient		$ 343,446			$ 182,802	351	$ 521	23%	8%
AdventHealth Waterman Hospital	$ 1,181,334	$ 1,559,281	$ -	$ 377,947	$ 843,580	409	$ 2,063	27%	37%
Mental Health Hospital									
LifeStream Behavioral Center	$ 1,200,000	$ 492,330	$ 707,670	$ -	$ 307,193	60	$ 5,120	4%	14%
Clinics									
St. Luke's Medical Clinic	$ 36,425	$ 3,565	$ 32,860	$ -	$ 1,085	7	$ 155	0%	0%
Community Medical Care Center (Leesburg)	$ 325,125	$ 77,190	$ 247,935	$ -	$ 34,720	224	$ 155	15%	2%
AdventHealth Waterman Community Clinic	$ 170,500	$ 47,895	$ 122,605	$ -	$ 17,360	112	$ 155	7%	1%
Community Health Center	$ 265,000	$ 143,969	$ 121,031	$ -	$ 68,794	444	$ 155	29%	3%
LifeStream Primary Care Clinic	$ 190,000	$ 6,820	$ 183,180	$ -	$ 3,720	24	$ 155	2%	0%
Totals	$ 4,549,718	$ 3,620,077	$ 1,415,281	$ 485,640	$ 2,279,273	1,527	$ 1,493	100%	101%