

## CHAPTER V: HEALTHCARE FINANCING

### Table of Contents

THE AFFORDABLE CARE ACT .....	2
PUBLIC INSURANCE PROGRAMS .....	2
MEDICARE .....	2
MEDICAID.....	3
MEDICAID REFORM.....	3
STATE CHILDREN’S HEALTH INSURANCE PROGRAM .....	5
VETERAN HEALTH ADMINISTRATION (VA).....	5
FEDERALLY FUNDED HIV/AIDS HEALTHCARE SERVICES.....	5
PUBLIC PRIMARY CARE FUNDING .....	6
FEDERALLY QUALIFIED HEALTH CENTERS (FQHC).....	6
BROWARD COUNTY GOVERNMENT FUNDING .....	6
CHILDREN’S SERVICES COUNCIL FUNDING .....	7
BROWARD COUNTY HEALTH DEPARTMENT .....	7
BROWARD HOSPITAL TAXING DISTRICTS.....	8

### Table of Tables

Table 1. Broward Medicaid Reform Enrollment, July 2012 – June 2013 .....	4
Table 2. Florida Medicaid Reform Enrollment, July 2012- June 2013	4
Table 3. Broward KidCare Enrollment.....	5
Table 4. Ryan White Funding By Part, FY 2011-2012.....	6
Table 5. Broward County Health Department Programs, FY12-13 ....	7
Table 6. Broward Hospital Taxing Districts .....	8

### Table of Figures

Figure 1. Medicaid Eligibility .....	3
Figure 2. Florida KidCare Covered Services.....	5

## THE AFFORDABLE CARE ACT

In March 2010, the Affordable Care Act (ACA) was signed into law; putting into place comprehensive healthcare reform over a four year span (U.S. Department of Health and Human Services). This complex law has many components, all of which aim to protect consumers and provide them with comprehensive care at costs that are within their means. Some key features of this law include:

- New consumer protections
  - A new consumer Bill of Rights
  - Prohibiting denying coverage for preexisting conditions
  - Eliminating annual limits on insurance coverage
- Increasing access to affordable care
  - Extending coverage for young adults to 26 under their parent’s plan
  - Increasing access to services at home and in the community
  - Open enrollment in the Health Insurance Marketplace
- Improving quality and lowering cost
  - Providing tax credits for small business health insurance
  - Providing free preventive care
  - Offering prescription drug discounts
- Holding insurance companies accountable
  - Bringing down health care premiums

## PUBLIC INSURANCE PROGRAMS

### *MEDICARE*

Medicare is a federal health insurance program for people who are age 65 or older, people under age 65 with certain disabilities and people of all ages with End-Stage Renal Disease. Medicare is an entitlement program, which means eligibility for Medicare is not based on income or assets. It is administered by the Federal Department of Health (DOH) and Human Services, Centers for Medicare and Medicaid Services. Medicare coverage is divided into three overarching categories: 1. Part (A) Hospital Insurance, 2. Part (B) Medical Insurance and 3. Part (D) Prescription Drug Coverage.

**Part (A) Hospital Insurance.** There is typically no premium for this coverage because most enrollees or their spouse paid the premium through payroll taxes while working. Medicare Part (A) covers inpatient care in hospitals, including critical access hospitals and skilled nursing facilities (not custodial or long-term care). It also covers hospice care and some home healthcare. Beneficiaries must meet certain conditions to receive these benefits.

**Part (B) Medical Insurance:** There is a monthly premium associated with Part (B) for most enrollees. Part (B) helps cover physicians’ services and outpatient care. Coverage is provided for medically necessary services that Part (A) does not cover, such as some physical and occupational therapists services and some home healthcare.

**Part (C) Advantage Plan:** This allows the enrollee to choose among various private health care plans, as long as they are eligible for Medicare Parts A and B.

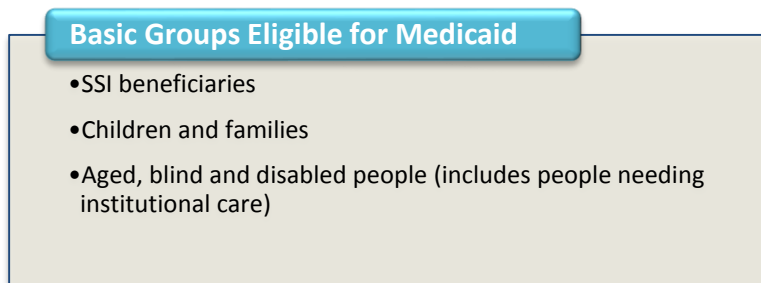
**Part (D) Prescription Drug Coverage:** A monthly premium is associated with this coverage for most people. This coverage began on January 1, 2006, and is available to everyone with Medicare. This coverage is provided by private companies, which allows for a variety of coverage options. Beneficiaries choose the drug plan that best fits their needs and pay the monthly premium associated with the plan.

### **MEDICAID**

Medicaid is the State and Federal partnership providing health coverage for selected categories of people with low incomes. Its purpose is to improve the health of people who might otherwise go without medical care.

Florida implemented the Medicaid program on January 1, 1970, to provide medical services to indigent people. Over the years, the Florida Legislature has authorized Medicaid reimbursement for additional services. A major expansion occurred in 1989, when the U.S. Congress mandated states provide all Medicaid services allowable under the Social Security Act to children under the age of 21.

**Figure 1. Medicaid Eligibility**



Source: Florida Medicaid Summary of Services FY12/13, [http://ahca.myflorida.com/Medicaid/pdf/2012-2013\\_Summary\\_of\\_Services\\_Final\\_121031.pdf](http://ahca.myflorida.com/Medicaid/pdf/2012-2013_Summary_of_Services_Final_121031.pdf)

### **MEDICAID REFORM**

On July 1, 2006, the Agency for Health Care Administration (AHCA) implemented Medicaid Reform in Broward and Duval Counties. Effective July 1, 2007, Medicaid Reform expanded to Baker, Clay and Nassau Counties. Medicaid Reform transformed the Medicaid program by empowering Medicaid recipients to take control of their healthcare, providing more choices for recipients, and enhancing their health status through increased health literacy and incentives to engage in healthy behaviors.

The principles governing Medicaid Reform are: 1) Patient Responsibility and Empowerment; 2) Marketplace Decisions; 3) Bridging Public and Private Coverage; and 4) Sustainable Growth Rate. The principles will empower Medicaid recipients, provide flexibility to providers and facilitate program management for government. In demonstrated reform counties, which include Baker, Broward, Clay, Duval, and Nassau Counties, recipients will be required to enroll in a Health Maintenance Organization (HMO) or Provider Service Network (PSN). In addition, recipients who have access to employer-sponsored insurance will have the ability to opt-out of Medicaid and enroll in private health insurance. Table 1 and Table 2 outline the current Medicaid Reform enrollment in Broward County and Florida, respectively.

Plan Name	TANF Enrolled	# SSI Enrolled			Total # Enrolled	Reform Market Share	Enrolled Prev. Year	% Change
		No Medicare	*Part B	*Parts A & B				
<b>Health Maintenance Organization (HMO)</b>								
Care Florida	4,612	855	0	157	<b>5,624</b>	2.30%	4,855	15.84%
Clear Health Alliance	6	25	0	0	<b>31</b>	0.01%	0	0.00%
Freedom Health Plan	5,265	725	1	136	<b>6,127</b>	2.50%	6,117	0.16%
Humana	12,441	2,209	5	476	<b>15,131</b>	6.18%	6,071	149.23%
Magellan	5	0	0	0	<b>5</b>	0.00%	0	0.00%
Medica	5,111	1,156	5	230	<b>6,502</b>	2.65%	5,517	17.85%
Molina	35,538	4,316	25	867	<b>40,746</b>	16.63%	39,367	3.50%
Positive Healthcare	26	238	0	19	<b>283</b>	0.12%	224	26.34%
Simply	1,874	298	1	47	<b>2,220</b>	0.91%	-	-
Staywell	2,716	222	0	24	<b>2,962</b>	1.21%	0	-
Sunshine	47,280	4,097	13	564	<b>51,954</b>	21.20%	50,429	3.02%
Universal Healthcare	3,601	317	3	286	<b>4,207</b>	1.72%	15,920	<b>-73.57%</b>
<b>HMO Total</b>	<b>118,475</b>	<b>14458</b>	<b>53</b>	<b>2806</b>	<b>135,787</b>	<b>55.43%</b>	<b>128,500</b>	<b>142.37%</b>
<b>Provider Service Network (PSN)</b>								
Better Health, LLC	47,256	5,193	3	855	<b>53,307</b>	21.76%	47,393	12.48%
CMS	4,207	3,125	0	27	<b>7,359</b>	3.00%	6,894	6.74%
SFCCN	42,542	5,165	7	854	<b>48,568</b>	19.82%	49,418	<b>-1.72%</b>
<b>PSN TOTAL</b>	<b>94,005</b>	<b>13,483</b>	<b>10</b>	<b>1736</b>	<b>109,234</b>	<b>44.58%</b>	<b>103,705</b>	<b>17.50%</b>

Source: Florida Medicaid Reform, Year 6 Final Annual Report July 1, 2011 – June 30, 2012, Agency for Health Care Administration Retrieved: [http://ahca.myflorida.com/medicaid/medicaid\\_reform/pdf/FL\\_1115\\_YR\\_6\\_Final\\_Annual\\_Report\\_07-01-11\\_06-30-12.pdf](http://ahca.myflorida.com/medicaid/medicaid_reform/pdf/FL_1115_YR_6_Final_Annual_Report_07-01-11_06-30-12.pdf)

Plan Name	TANF Enrolled	# SSI Enrolled			Total # Enrolled	Reform Market Share	Enrolled Prev. Year	% Change
		No Medicare	*Part B	*Parts A & B				
<b>Health Maintenance Organization (HMO)</b>								
Care Florida	4,612	855	0	157	<b>5,624</b>	1.30%	4,855	15.84%
Clear Health Alliance	6	25	0	0	<b>31</b>	0.01%	-	-
Freedom Health Plan	5,265	725	1	136	<b>6,127</b>	1.42%	6,117	0.16%
Humana	12,441	2,209	5	476	<b>15,131</b>	3.50%	6,071	149.23%
Magellan	5	0	0	0	<b>5</b>	0.01%	-	-
Medica	5,111	1,156	5	230	<b>6,502</b>	1.50%	5,517	17.85%
Molina	35,538	4,316	25	867	<b>40,746</b>	9.43%	39,367	3.50%
Positive Healthcare	26	238	0	19	<b>283</b>	0.07%	224	26.34%
Simply	1,874	298	1	47	<b>2,220</b>	0.51%	-	-
Staywell	14,868	1,553	2	96	<b>16,519</b>	3.82%	-	-
Sunshine	105,824	9,989	16	1,390	<b>117,219</b>	27.12	116,531	0.59%
United Healthcare	10,013	1,380	1	170	<b>11,564</b>	2.68%	11,639	<b>-0.64%</b>
Universal Healthcare	6,742	575	4	455	<b>7,776</b>	1.80%	28,326	<b>-72.55%</b>
<b>HMO Total</b>	<b>202,325</b>	<b>23,319</b>	<b>60</b>	<b>4,043</b>	<b>229,747</b>	<b>53.16%</b>	<b>218,647</b>	<b>5.08%</b>
<b>Provider Service Network (PSN)</b>								
Better Health, LLC	47,256	5,193	3	855	<b>53,307</b>	12.33%	47,393	12.48%
CMS	6,574	4,356	0	34	<b>10,964</b>	2.54%	10,325	6.19%
First Coast Advantage	77,424	10,402	5	1,781	<b>86,612</b>	20.73%	87,819	2.04%
SFCCN	42,542	5,165	7	854	<b>48,568</b>	11.24%	49,418	<b>-1.72%</b>
<b>PSN TOTAL</b>	<b>173,796</b>	<b>25,116</b>	<b>15</b>	<b>3,524</b>	<b>202,451</b>	<b>46.84%</b>	<b>194,955</b>	<b>3.84%</b>
<b>Reform Enrollment Total</b>	<b>376,121</b>	<b>48,435</b>	<b>75</b>	<b>7,567</b>	<b>432,198</b>	<b>100.00%</b>	<b>413,602</b>	<b>4.50%</b>

Source: Florida Medicaid Reform, Year 6 Final Annual Report July 1, 2011 – June 30, 2012, Agency for Health Care Administration Retrieved: [http://ahca.myflorida.com/medicaid/medicaid\\_reform/pdf/FL\\_1115\\_YR\\_6\\_Final\\_Annual\\_Report\\_07-01-11\\_06-30-12.pdf](http://ahca.myflorida.com/medicaid/medicaid_reform/pdf/FL_1115_YR_6_Final_Annual_Report_07-01-11_06-30-12.pdf)

## STATE CHILDREN'S HEALTH INSURANCE PROGRAM

Enacted in 1998, Florida KidCare is the State's Children's Health Insurance Program (SCHIP) for uninsured children under the age of 19. It is comprised and administered by four distinct components. **MediKids:** Administered by the Agency for Health Care Administration, it provides insurance for children ages 1 – 4 years. **Healthy Kids:** Administered by the Florida Health Kids Corporation, it provides insurance for children ages 5 – 18 years. **Children's Medical Services:** Administered by the Department of Health, it provides coverage for children ages 0 through 20 years with special healthcare needs. **Medicaid:** Administered by the Department of Children and Families, it is an entitlement program for children 20 years of age or younger with qualifying family income.

Program	Number Enrolled		
	June 2012	December 2012	March 2014
Healthy Kids	30,439	30,656	30,881
MediKids	5,255	5,092	5,213
Children's Medical Services	2,410	2,277	2,581
<b>Total</b>	<b>38,104</b>	<b>38,025</b>	<b>38,675</b>

Source: <https://www.healthykids.org/resources/enrollment/>

Florida KidCare also ascertains which program an applicant may be eligible for based on age and family income. Some of the services Florida KidCare covers are outlined in Figure 2.

Figure 2. Florida KidCare Covered Services



Source: Florida KidCare, <http://www.floridakidcare.org/index.html>

## VETERAN HEALTH ADMINISTRATION (VA)

The VA provides veterans with a variety of services, including healthcare. The VA operates the nation's largest integrated healthcare system, which includes more than 1,400 sites of care (hospitals, community clinics, nursing homes, domiciliaries, readjustment counseling centers and various other facilities). To qualify for VA healthcare benefits, a person must have served in the active military, naval or air service and be discharged or released under conditions other than dishonorable.

## FEDERALLY FUNDED HIV/AIDS HEALTHCARE SERVICES

Broward County is a part of the Fort Lauderdale/Broward County Eligible Metropolitan Area's grantee for federal Ryan White Part (A) funds. These funds provide medical and related services to people living with HIV/AIDS. In addition to Ryan White Part (A) funding, Broward receives other Ryan White funding which is awarded to several other grantees. The

Broward County Health Department receives Part (B) funding. The Broward Health receives Part (C) funding for Counseling and Testing services provided as part of early intervention services. The Children’s Diagnostic and Treatment Center is the grantee for Part (D) to provide specialized services targeted to women and children with HIV spectrum disease.

Table 4. Ryan White Funding By Part, FY 2012-2013

Ryan White	Grantee	Funding
Part A	Broward County	\$15,390,658
Part B	FDOH-Broward	\$1,101,929
Part C	Broward Health	\$952,729
Part D	CDTC	\$2,287,087
Part F	Nova Southeastern	\$234,747

## PUBLIC PRIMARY CARE FUNDING

### FEDERALLY QUALIFIED HEALTH CENTERS (FQHC)

Federally Qualified Health Centers (FQHC) are those receiving funds under Section 330 of the Public Health Service Act to support primary care services. Broward Community and Family Health Center, Inc. (BCFHC) is one of two FQHC’s in Broward County. The oldest FQHC in Broward County, BCFHC manages and operates four (4) clinical sites located in Pompano Beach, Hollywood, West Park and Lauderhill. BCFHC has an established sliding fee scale (SFS) program for individuals at or below 200% of the Federal Poverty Level (FPL), so that services are affordable and accessible without regard to the client’s ability to pay. Ability to pay is determined by conducting a financial assessment of the client’s gross income and family size. The program applies to all uninsured patients who qualify. The percentage of discount received by clients varies depending on their percentage of poverty. Anyone seeking medical services that qualify for the

SFS Program would not pay the usual and customary office visit fees. In 2009, BCFHC received \$1.3 million through the Recovery Act (ARRA) funding to expand services by opening its 3<sup>rd</sup> clinical site in the City of West Park. In 2013, they received \$950,000 through the Patient Protection and Affordable Care Act to expand services by opening its 4<sup>th</sup> clinical site in the City of Lauderhill.

In 2009, Community AIDS Resource, Inc., (d.b.a. Care Resource) was named Broward County’s second FQHC. Care Resource is a non-profit, community-based AIDS service organization providing a variety of services including: medical care, information and referrals, case management, mental health and substance abuse counseling, temporary assistance to needy families (TANF), transportation vouchers, counseling and testing, and prevention and education programs.

## BROWARD COUNTY GOVERNMENT FUNDING

The Broward County Board of County Commissioners (Broward County) provides different types of funding for healthcare and related services through its Human Services Department. The following describes the different health and healthcare related areas funded by Broward County:

**Primary Care Funding** – Broward County provides funding through contracts to both Broward Health and Memorial Healthcare System’s primary care system for indigent residents. Funding has been provided since 1991 when County – operated adult primary care clinic operations were transferred to the Hospital Districts.  
**(FY13-14 County Funding: \$13,483,377)**

**Broward Community and Family Health Center** – Broward County provides the match funding to the Agency for Health Care Administration which is needed in order for the FQHC to be able to draw down Federal Medicaid funds.  
**(FY12-13 Broward Community Family: \$56,937; Care Resource: \$34,701)**

**Special Health Care Needs Funding** – Broward County provides funding through a competitive process to not-for-profit agencies and public entities providing services to children with special healthcare needs.  
**(FY12-13 County Funding: \$3,080,440)**

**Sexual Assault Treatment Center** – Broward County operates the Sexual Assault Treatment Center which provides crisis intervention, medical examinations, individual and family therapy to victims and non-offending family members who have been victims of sexual assault or child abuse.  
**(FY13 County Funding: \$1,594,740)**

### **CHILDREN’S SERVICES COUNCIL FUNDING**

The Children’s Services Council (CSC) is a special government created by the voters of Broward County in September 2000, to provide leadership, coordination and funding for services for, and on behalf of, children. CSC provides a variety of programs designed to help every child lead a healthy, safe and productive life.  
**(FY12-13 for Health Services: \$4,804,594)**

### **BROWARD COUNTY HEALTH DEPARTMENT**

Broward County Health Department (BCHD) is one of the sixty-seven county health departments under DOH (Authority: Chapter 154, Florida Statutes). Table 5 outlines BCHD’s Programs funded by Federal, State, local and other funding sources for FY2012-2013 Program Projected Expenditure.

Table 5. Broward County Health Department Programs, FY12-13	
Program	Total
Health Promotion & Social Marketing	\$532,041
Communicable Diseases	\$12,697,969
Dental	\$2,758,699
WIC	\$6,227,595
Community Health	\$3,504,009
Health Centers & Primary Care	\$4,855,363
Emergency Operations	\$913,705
Environmental Health	\$2,414,836
<b>TOTAL</b>	<b>\$33,904,217</b>
Source: Broward County Health Department	

## BROWARD HOSPITAL TAXING DISTRICTS

Broward County has six taxing districts related to healthcare. Four are taxing for health facilities, one for children services and one for emergency medical services. The information on each one is depicted in Table 6.

Table 6. Broward Hospital Taxing Districts						
Name	Broward County Health Facilities Authority	Children Services Council of Broward County	North Broward Hospital District	Plantation Health Facilities Authority	Pompano Beach Emergency	South Broward Hospital District
<b>Registered Address</b>	115 South Andrews Avenue, Suite 513 Ft. Lauderdale, FL 33301	200 Southwest 1st Avenue, Suite 800 Fort Lauderdale, FL 33301	303 S.E. 17th Street Ft. Lauderdale, FL 33316	401 East Tropical Way Plantation, FL 33317	Post Office Drawer 1300 Pompano Beach, FL 33061-1300	3501 Johnson Street Hollywood, FL 33021
<b>Telephone</b>	(954) 357-7130	(954) 761-8640	(954) 355-5105	(954) 689-7417	(954) 786-4601	(954) 987-2000
<b>Fax</b>	(954) 357-7134	(954) 761-8979	(954) 355-4966	(954) 689-7411	(954) 786-4504	(954) 985-1438
<b>E-mail</b>		mlarsen@cscbroward.org	sgoren@cityatty.com			
<b>Status</b>	Dependent	Independent	Independent	Dependent	Dependent	Independent
<b>Counties</b>	Broward	Broward	Broward	Broward	Broward	Broward
<b>Local Governing Authority</b>	Broward County	Broward County	Broward County	City of Plantation	City of Pompano Beach	Broward County
<b>Functions</b>	Health Facilities	Children Services	Hospital	Health Facilities	Emergency Medical Services	Hospital
<b>Date Established</b>	07/18/1977	01/02/2001	06/11/1951	11/01/1978	02/18/1975	06/16/1947
<b>Creation Documents</b>	Co. Ord. #77-35	Ch. 2000-461, L.O.F.	Ch. 2006-347, L.O.F. (Codified)	City Res. #1821	City Ord. #75-18	Ch. 2004-397, L.O.F. (Codified)
<b>Statutory Authority</b>	Ch. 154, Part III, F.S.	Section 125.901, F.S.	Chapter 155, F.S.	Chapter 154, Part III, F.S.	Ch. 165, F.S.	Chapter 155, F.S.
<b>Board Authority</b>	LGA Appoints	Other	Governor Appoints	LGA Appoints	Same as LGA	Governor Appoints
<b>Authority to Issue Bonds</b>	Yes	No	Yes	Yes	No	Yes
<b>Revenue Source</b>	Fees	Ad Valorem	Ad Valorem	None	Ad Valorem	Ad Valorem
<b>Most Recent Update</b>	11/08/2013	10/21/2013	10/7/2013	10/25/2013	12/30/2013	10/04/2013
<b>Creation Method</b>	Local Ordinance	Special Act	Special Act	Local Ordinance	Local Ordinance	Special Act

Source: <http://www.floridaspecialdistricts.org/OfficialList/report.cfm>