Disproportionate Share Hospital Letter of Agreement

THIS LETTER OF AGREEMENT (LOA) made and entered into in duplicate as of the 1st day of October 2025, by and between City of Jacksonville (the "IGT Provider") on behalf of UF Health Jacksonville, and the State of Florida, Agency for Health Care Administration (the "Agency"), and is entered into for good and valuable consideration the receipt and sufficiency of which is acknowledged.

DEFINITIONS

"Charity care" or "uncompensated charity care" means that portion of hospital charges reported to the Agency for which there is no compensation, other than restricted or unrestricted revenues provided to a hospital by local governments or tax districts regardless of the method of payment, for care provided to a patient whose family income for the twelve (12) months preceding the determination is less than or equal to two-hundred (200) percent of the federal poverty level, unless the amount of hospital charges due from the patient exceeds twenty-five (25) percent of the annual family income. However, in no case shall the hospital charges for a patient whose family income exceeds four times the federal poverty level for a family of four be considered charity.

“Disproportionate share program” means specific allocations are established within the General appropriations Act and any limitations established pursuant to chapter 216, the agency shall distribute pursuant to this section, moneys to hospitals providing a disproportionate share of Medicaid or charity care services by making quarterly Medicaid payments as required.

"Disproportionate Share Hospital (DSH)" means a hospital that has a Medicaid inpatient utilization rate of not less than one percent.

"Intergovernmental Transfers (IGTs)" mean transfers of funds from a non-Medicaid governmental entity (e.g., counties, municipalities, hospital taxing districts, providers operated by state or local government) to the Medicaid agency. IGTs must be considered a bona fide donation pursuant to 42 CFR§ 433.54.

"Medicaid" means the medical assistance program authorized by Title XIX of the Social Security Act, 42 U.S.C. §§ 1396 et seq., and regulations thereunder, as administered in Florida by the Agency.

GENERAL PROVISIONS

1. Per Senate Bill 2500, the General Appropriations Act of State Fiscal Year 2025-2026, passed by the 2025 Florida Legislature, the City and the Agency agree that the City will remit IGT funds to the Agency in an amount not to exceed the total of $6,543,457.35.

    a. The City and the Agency have agreed that these IGT funds will only be used to increase the provision of health services for the charity care of the City and the State of Florida at large.

2. The IGT Provider will return the signed LOA to the Agency no later than October 1, 2025.

3. The City will pay IGT funds to the Agency in an amount not to exceed the total of $6,543,457.35. The City will transfer payments to the Agency in the following manner:

   a. Per Florida Statute 409.908, annual payments for the month July 2025 through June 2026 are due to the Agency no later than October 31, 2025 unless an alternative plan is specifically approved by the Agency.

   b. The Agency will bill the IGT Provider when payment is due.

4. The IGT Provider and the Agency agree that the Agency will maintain necessary records and supporting documentation applicable to health services covered by this LOA.

   a. Audits and Records

      i. The IGT Provider agrees to maintain books, records, and documents (including electronic storage media) pertinent to performance under this LOA in accordance with generally accepted accounting procedures and practices, which sufficiently and properly reflect all revenues and expenditures of funds provided.

      ii. The IGT Provider agrees to assure that these records shall be subject at all reasonable times to inspection, review, or audit by state personnel and other personnel duly authorized by the Agency, as well as by federal personnel.

      iii. The IGT Provider agrees to comply with public record laws as outlined in section 119.0701, Florida Statutes.

   b. Retention of Records

      i. The IGT Provider agrees to retain all financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to performance under this LOA for a period of six (6) years after termination of this LOA, or if an audit has been initiated and audit findings have not been resolved at the end of six (6) years, the records shall be retained until resolution of the audit findings.

      ii. Persons duly authorized by the Agency and federal auditors shall have full access to and the right to examine any of said records and documents.

      iii. The rights of access in this section must not be limited to the required retention period but shall last as long as the records are retained.

   c. Monitoring

      i. The IGT Provider agrees to permit persons duly authorized by the Agency to inspect any records, papers, and documents of the City which are relevant to this LOA.

   d. Assignment and Subcontracts

i. The IGT Provider agrees to neither assign the responsibility of this LOA to another party nor subcontract for any of the work contemplated under this LOA without prior written approval of the Agency. No such approval by the Agency of any assignment or subcontract shall be deemed in any event or in any manner to provide for the incurrence of any obligation of the Agency in addition to the total dollar amount agreed upon in this LOA. All such assignments or subcontracts shall be subject to the conditions of this LOA and to any conditions of approval that the Agency shall deem necessary.

5. This LOA may only be amended upon written agreement signed by both parties. The IGT Provider and the Agency agree that any modifications to this LOA shall be in the same form, namely the exchange of signed copies of a revised LOA.

6. The IGT Provider confirms that there are no pre-arranged agreements (contractual or otherwise) between the respective counties, taxing districts, and/or the providers to re-direct any portion of these aforementioned charity care supplemental payments in order to satisfy non-Medicaid, non-uninsured, and non-underinsured activities.

7. The IGT Provider agrees the following provision shall be included in any agreements between the City and local providers where IGT funding is provided pursuant to this LOA. "Funding provided in this agreement shall be prioritized so that designated IGT funding shall first be used to fund the Medicaid program and used secondarily for other purposes."

8. This LOA covers the period of July 1, 2025 through June 30, 2026 and shall be terminated September 30, 2026.

9. This LOA may be executed in multiple counterparts, each of which shall constitute an original, and each of which shall be fully binding on any party signing at least one counterpart.

LIP/DSH Local Intergovernmental Transfers (IGTs)	
Program/Amount	**State Fiscal Year 2025-2026**
DSH Program	$6,543,457.35
Total Funding	$6,543,457.35

WITNESSETH:

IN WITNESS WHEREOF, the parties have caused this page Letter of Agreement to be executed by their undersigned officials as duly authorized.

CITY OF JACKSONVILLE

SIGNED _____
BY:_____
NAME:_____
TITLE:_____
DATE:_____

Attest:

_____
James R. McCain, Jr.
Corporation Secretary

Form Approved:

_____
Office of General Counsel

STATE OF FLORIDA, AGENCY FOR HEALTH CARE ADMINISTRATION

SIGNED_____
BY:_____
NAME:_____
TITLE:_____
DATE:_____

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