



**Interoffice Memorandum**

September 28, 2015

APPROVED  
BY ORANGE COUNTY BOARD  
OF COUNTY COMMISSIONERS

OCT 06 2015 *JLH/LC*

TO: Mayor Teresa Jacobs  
and the Board of County Commissioners

FROM: *JR* Johnny Richardson, Procurement Division

CONTACT: John Goodrich, Assistant to Director, Health Services Department  
407-836-7689

SUBJECT: Approval of Amendment No. 1, Contract Y15-176, Third Party Administrator for Corrections Health Services Division and the Ryan White Office

**ACTION REQUESTED**

Approval of Amendment No. 1, Contract Y15-176, Third Party Administrator for Corrections Health Services and the Ryan White Program, with Health First Health Plans, Inc. for an additional estimated amount of \$667,800 for a revised total estimated annual contract amount of \$829,800.

**PROCUREMENT:**

As a third party administrator, Health First Health Plans, Inc. will adjudicate all medical claims for the Corrections Health Services Division, the Ryan White office and the Primary Care Access Network (PCAN) program.

**FUNDING:**

Funding is available in account number 0001-081-3806-3197 and 7015-060-7302-3197.

**DISCUSSION**

Contract Y15-176 with Health First Health Plans, Inc. was approved by the Board on April 21, 2015 in the estimated contract amount of \$162,000. The contract was awarded on September 1, 2015. The contract amount was based on estimated medical claims per year for the Corrections Health Services and the Ryan White office.

In the past, hospitals have paid for the provision of medical care to uninsured patients in the County by funding PCAN Services through the Intergovernmental Transfer Program (IGT) program. The IGT program allowed the county to draw down additional state and federal dollars for PCAN by participating in the Medicaid Disproportionate Share Hospital (DSH) program and the Medicaid Buyback program. Both programs are intended to assist in providing health services to uninsured, underinsured and Medicaid patients.

Due to changes made this year by the legislature, the hospitals are no longer funding these services. Also, with these changes the County is no longer required to submit \$14-15M to the State of Florida for the IGT program. The purpose of this amendment is to increase the estimated contract amount for the additional medical claims to pay for services delivered by the PCAN program. The initial unit fees of \$18 per claim in the basic contract apply to this amendment.

The county will advance \$400,000 for each program to pay claims. The funds will be kept in a separate bank account and reconciliation will be completed and provided to each program on a weekly basis.