During the 2004 Legislative session, a Medicaid Physician Upper Payment Limit (UPL) Program was created to enhance access to care for Medicaid patients by providing limited supplemental Medicaid payments to medical school faculty physicians at the University of Florida (UF), the University of South Florida (USF) and the University of Miami. The Agency for Health Care Administration (AHCA) is authorized to calculate the level of supplemental payments made to the medical schools.

- Significant fund shifts have occurred that may affect the viability of the educational and research programs at this College of Medicine.

The Medical Schools Are Requesting Consideration of the Following:

(1) That $8 million of the FY 2004-05 general revenue reserve funds be released as soon as possible in order to address the serious cash flow problems that have resulted for UF, UM and USF medical schools.

(2) That the 2005 Legislature restore the $20M in general revenue funding cut from the UF, UM and USF medical school budgets for FY 2004-05. {USF $2.475M} The unintended consequences of supplanting general revenue with clinical revenue generated under the Medicaid Program, particularly at a time that the Medicaid Program is likely to be subject to major revisions during the 2005 session, are: (a) further financial instability for the medical schools; and (b) the potential that medical school faculty will be able to provide less rather than more care to Medicaid patients-the antithesis of what the Medicaid Physician UPL Program was created to achieve.