

## **Public Health Trust – Jackson Health System**

### **User Access Program (UAP)**

#### **Frequently Asked Questions**

##### **1. What is the User Access Program (UAP)?**

The User Access Program (UAP) establishes a mandatory two percent (2%) deduction on all vendor invoices for newly established contracts, as well as negotiated modifications of existing contracts, including renewals, subject to the exclusions provided below. The Program applies to all purchases and contracts procured by the Procurement Management Department of JHS. Included in the UAP are one-time, term, blanket and pool contracts. Excluded from the program are "micro" purchases (\$500 and less), purchases less than \$10,000 and purchases paid partially or in full with federal funds, employee benefits contracts and revenue generating contracts.

##### **2. Who approved UAP?**

The User Access Program (UAP) was adopted by the PHT under Resolution PHT-05/10-030 as an 18 month pilot study and was adopted as a permanent program by The Financial Recovery Board under Resolution PHT-10/11-046.

##### **3. Where did the idea of the UAP come from?**

The User Access Program (UAP) was modeled after the Miami-Dade County program originally adopted by the Board of County Commissioners in September 2003 under Budget Ordinance No. 03-192.

##### **4. How will the UAP work?**

The program is prospective in its implementation and effect. It is not unilateral, that is, the vendor must be advised in advance or otherwise agrees to accept the 2% UAP deduction. Jackson Health System solicitation documents will include language that fully informs bidders/proposers of the UAP, including requests for quotes or proposals against existing multi-vendor or "pool" contracts. Even oral requests for bids, quotes or proposals shall include reference to the UAP in advance of any price submissions or price negotiated. Every PHT staff shall make every effort to include the language as a bilateral contract modification at the time of renewal of any PHT established contract.

##### **5. How is it applied?**

The vendor providing goods or services under this UAP contract shall invoice the contract price and shall accept as payment thereof the contract price less the 2% UAP deduction as full and complete payment for the goods and/or services as specified on the invoice. In the alternative, the vendor will be invoiced for the deduction on a monthly basis.

##### **6. Are there any exceptions to the UAP?**

Yes, there are very limited exceptions to the UAP as noted in the Policy.

##### **7. This information is helpful, but I still have some questions about the UAP, who can I speak with?**

Mrs. Luz Alonso has been appointed as the primary contact person representing the User Access Program. She may be reached via e-mail: [LAlonso@jhs-miami.org](mailto:LAlonso@jhs-miami.org) or by phone at (305) 585-5426.



**PROCUREMENT MANAGEMENT DEPARTMENT  
POLICY & PROCEDURE MANUAL**

**SECTION:** Purchase Order Management

**SUBJECT:** User Access Program (UAP)

**POLICY:**

The Board of Trustees of the Public Health Trust of Miami-Dade County has approved the formulation of a "User Access Program" pursuant to PHT Resolution No. 10/11-046.

The User Access Program (UAP) establishes a mandatory two percent (2%) deduction on all vendor invoices for newly established contracts, as well as negotiated modifications of existing contracts, including renewals, subject to the exclusions provided below. The Program applies to all purchases and contracts procured by the Procurement Management Department of JHS. Included in the UAP are one-time, term, blanket and pool contracts.

Exclusions

Excluded from the program are "micro" purchases (\$500 and less), purchases less than \$10,000 and purchases paid partially or in full with federal funds, employee benefits contracts and revenue generating contracts, as further detailed below.

| Type of Exemption                   | Comments  |
|-------------------------------------|---|
| Federal Funded Purchases            | Exemption applies to purchases paid partially or in full with federal funds designated to departments which receive certain federal funds. In cases where multiple departments are included in the contract where some departments will use federal funding and other departments will not use federal funding; the contract should be designated UAP. However, the PO for departments using federal funding should not reflect the UAP. If the funding is a portion federal and a portion non-federal; two separate POs should be prepared for this department (one with UAP and one without). |
| Revenue Generating Contracts        | Exemption applies to retail and concession contracts  |
| Employee Benefits Related Contracts | Exemption applies to employee benefits contracts: medical plans, dental plans, life insurance, short-term/long-term disability, deferred compensation, group legal, spending accounts, and other employee related services for which the employees pay the cost of the contract.  |



**PROCUREMENT MANAGEMENT DEPARTMENT  
POLICY & PROCEDURE MANUAL**

**SECTION:** Purchase Order Management

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|--|--|
| Purchases less than \$10,000   | Exemption applies to purchases less than \$10,000, as well as "micro" purchases (\$500 and less).  |
| Contracts where rates are set by the Public Health Trust (PHT) Board | None   |
| Emergency Purchases  | If user department does the procurement and PMD only processes the Purchase Order, then no UAP will apply. If PMD does the procurement, the UAP applies. |
| Organ Acquisition  | Exemption applies to ALL Organ Acquisition related procurements  |
| Real Estate Property   | Rents, Leases - ALL real estate property interests where PHT is the Lessee   |
| Membership, Accreditation Fees                                       | ALL PHT Mandatory Fees as required by law or affiliation   |

Vendor will be advised in advance or otherwise agree to accept the 2% UAP deduction. Jackson Health System solicitation documents will include language that fully informs bidders/proposers of the UAP, including requests for quotes or proposals against existing multi-vendor or "pool" contracts. Even oral requests for bids, quotes or proposals shall include reference to the UAP in advance of any price submissions or price negotiated. Every PHT staff shall make every effort to include the language as a bilateral contract modification at the time of renewal of any PHT established contract.

Joint Purchase Option

This option will allow non-JHS entities such as Miami-Dade County agencies, county municipalities, school boards and other public entities, with prior approval by JHS' Procurement Management Department, to participate in the Joint Purchase and entity revenue sharing opportunity.

The opportunity will be available to entities that piggyback off of agreement awarded by the PHT. PMD's contract solicitation documents will include language that will fully inform bidder/proposers of the UAP and Joint Purchase opportunity. Joint Purchases may be made off of PHT competitively awarded contracts; approved entity utilizing the PHT contract will receive



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25 percent of the UAP; and, 75 percent of the fee will be retained by the PHT for making the contract accessible to pre-approved entities.

Program Management

The Strategic Sourcing Division, in conjunction with the Accounts Payables Department, will administer and coordinate the Program. The vendor providing goods or services under this UAP contract shall invoice the contract price and shall accept as payment thereof the contract price less the 2% UAP deduction as full and complete payment for the goods and/or services as specified on the invoice. In the alternative, the vendor will be invoiced for the deduction on a monthly basis.

Proceeds from the program shall be used to defray the cost of PHT operations. Expenses necessary to effectively administer the program shall be deducted and applied for UAP administration and software requirements. Management and monitoring of the overall effectiveness of the UAP resides with the Strategic Sourcing Division/Procurement Management Department, with the collaboration of the Accounts Payable Department.

Agenda Item 9 (4) (2)  
Fiscal Committee  
October 31, 2011

RESOLUTION NO. PHT 10/11 - 046

RESOLUTION AUTHORIZING THE PRESIDENT OR HIS DESIGNEE TO, WITHIN 30 DAYS, APPROVE THE CONTINUATION AND PERMANENT STATUS OF THE PUBLIC HEALTH TRUST'S USER ACCESS PILOT PROGRAM WITH THE ADDITION OF THE JOINT PURCHASE OPTION, WHICH PROVIDES THE PUBLIC HEALTH TRUST WITH A TWO PERCENT DEDUCTION IN THE PAYMENT OF CONTRACT PURCHASES

*(Mark T. Knight, Chief Financial Officer, Jackson Health System)*

WHEREAS, the Public Health Trust Board of Trustees ("PHT") approved the formulation of a User Access Program ("UAP") as an eighteen (18) month pilot program pursuant to PHT Resolution No. 05/10-030; and

WHEREAS, the UAP established a mandatory two percent (2%) deduction on all vendor invoices for newly established contracts, as well as negotiated modifications to existing contracts, including renewals; and

WHEREAS, unless otherwise exempt, the UAP applies to all purchases and contracts procured by the Procurement Management Department; and

WHEREAS, the eighteen (18) month pilot program shall conclude on November 2011; and

WHEREAS, the UAP has proven to be beneficial to JHS as reflected in the User Access Program Six Month Interim Report presented in April 2011.

NOW THEREFORE BE IT RESOLVED BY THE FINANCIAL RECOVERY BOARD OF THE PUBLIC HEALTH TRUST OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby authorizes the President or his designee to approve, within 30 days, the continuation and permanent status of the PHT's "User Access Pilot Program," with the addition of the Joint Purchase option, as more fully set forth in the attached memorandum incorporated herein by reference.

Agenda Item 9 (4) (2)  
Fiscal Committee  
October 31, 2011

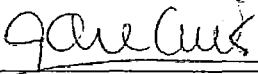
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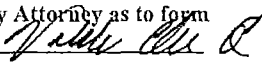
The foregoing resolution was offered by Mr. Nuell and the motion was seconded by Mr. Arriola as follows:

|                    |        |
|--------------------|--------|
| Joe R. Arriola     | Aye    |
| Michael Bileca     | Aye    |
| Joaquín del Cueto  | Absent |
| Marcos J. Lapciuc  | Aye    |
| Stephen S. Nuell   | Aye    |
| Darryl K. Sharpton | Aye    |

The Chairperson thereupon declared the resolution duly passed and adopted this 31<sup>st</sup> day of October 2011.

PUBLIC HEALTH TRUST OF MIAMI-DADE COUNTY, FLORIDA

BY:   
Joaquín del Cueto, Secretary

Approve by the County Attorney as to form  
and legal sufficiency 



MEMORANDUM

TO: Financial Recovery Board  
Public Health Trust

FROM: Mark T. Knight, Chief Financial Officer  
Jackson Health System

DATE: October 19, 2011

SUBJECT: PHT USER ACCESS PROGRAM

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Recommendation:

That the Financial Recovery Board authorizes the President, or his designee, to approve, within 30 days, the continuation and permanent status of the PHT's User Access Pilot Program with the addition of the Joint Purchase option.

Background/Discussion:

In 2010, Jackson's Procurement Management Department met with leadership in the Miami-Dade County's Department of Procurement Management to discuss the County's UAP and learn more about its features and the County's experience with the program. At that time, the Procurement Management Department performed an assessment of the contracts that the UAP could be applied to within JHS. As a result of the discussions and assessment, an eighteen month Pilot Program was adopted by the PHT Board of Trustees in May 2010 to help defray operating costs throughout the JHS.

The pilot UAP established a mandatory two percent (2%) deduction on all vendor invoices for newly established contracts, as well as negotiated modifications of existing contracts, including renewals, subject to the exclusions provided below. Except for the purchases that are part of the exceptions list, the UAP applies to all purchases and contracts procured by the Procurement Management Department of JHS. Included in the UAP are one-time, term, blanket and pool contracts.

The administration of UAP allows flexibility to vendors who choose to forgo the administrative burden of the two (2%) percent short pay reconciliation by allowing the vendors to extend an upfront two (2%) discount from the original negotiated quote.

Currently excluded from the UAP are "micro" purchases (\$500 and less), purchases less than \$10,000 and purchases paid partially or in full with federal funds, employee benefits contracts and revenue generating contracts, as further detailed below. The following exemptions to the program will also be incorporated into the policy:

|                                |   |
|--------------------------------|---|
| Organ Acquisition              | Exemption applies to ALL Organ Acquisition related procurements             |
| Real Estate Property           | Rents, Leases----ALL real estate property interests where PHT is the Lessee |
| Membership, Accreditation Fees | ALL PHT Mandatory Fees as required by law or affiliation                    |

It is also recommended that the UAP be enhanced to allow a Joint Purchase option. This option will allow non-JHS entities such as Miami-Dade County agencies, county municipalities, school boards and other public entities, with prior approval by JHS' Procurement Management Department, to participate in the Joint Purchase and entity revenue sharing opportunity.

The opportunity will be available to entities that piggyback off of agreement awarded by the PHT. PMD's contract solicitation documents will include language that will fully inform bidder/proposers of the UAP and Joint Purchase opportunity. Joint Purchases may be made off of PHT competitively awarded contracts; approved entity utilizing the PHT contract will receive 25 percent of the UAP; and, 75 percent of the fee will be retained by the PHT for making the contract accessible to pre-approved entities. The new UAP will be administered by a concerted effort between PHT's PMD and A/P Department.

It is management's recommendation, therefore, that the PHT Financial Recovery Board authorizes the President to approve, within 30 days, the continuation and permanency of the User Access Program along with the Joint Purchase option.