

CITY COUNCIL RESEARCH DIVISION

LEGISLATIVE SUMMARY

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Bill Type and Number: Ordinance 2019-506

Introducer/Sponsor(s): Council President at the request of the Mayor

Date of Introduction: July 23, 2019

Committee(s) of Reference: NCSPHS, F

Date of Analysis: July 25, 2019

Type of Action: Authorizing execution of indigent care funding agreements with Shands Jacksonville Medical Center and Florida Agency for Health Care Administration

Bill Summary: The bill authorizes the execution of the annual letter of agreement among the City, Shands Jacksonville Medical Center, and the Florida Agency for Health Care Administration for payment of the City's indigent care contribution of \$26,275,594 to Shands Jacksonville and for the use of all of those funds to leverage the State's Intergovernmental Transfer (IGT) and the federal government's "disproportionate share" Medicaid funds to increase the amount of funding available for indigent care purposes.

Background Information: Shands Jacksonville and several of the other largest indigent care provider hospitals in the state participate in the "disproportionate share" program through which the hospitals turn a portion of their local indigent care funds over to the state to be used as matching funds to draw down enhanced Medicaid reimbursement for indigent care, thus substantially increasing the amount of care that can be provided as a result of the local appropriation. The Mayor's proposed budget for FY19-20 contains an allocation of \$26,275,594 to Shands Jacksonville for indigent care purposes.

The City's appropriations to Shands Jacksonville have remained unchanged over the past several years since an increase in FY13/14:

FY12/13 - \$23,775,594; FY13/14 - \$26,275,594; FY14/15 - \$26,275,594; FY15/16 - \$26,275,594; FY16/17 - \$26,275,594; FY17/18 - \$26,275,594; FY18/19 - \$26,275,594

Policy Impact Area: Indigent care funding

Fiscal Impact: According to UF Health Jacksonville, the \$26.27 million City contribution leveraged state funding through the Low Income Pool and Disproportionate Share programs of \$55,385,094 in FY17-18 and \$58,417,277 in FY18-19. The FY19-20 amount has not yet been determined.

Analyst: Clements