

**CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY**



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Bill Type and Number: Ordinance 2024-632

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

Date of Introduction: August 13, 2024

Committee(s) of Reference: NCSPHS, F

Date of Analysis: August 15, 2024

Type of Action: Establishment of medical facility special assessments; provision for public hearings; approval of assessment roll; authorization to execute agreement

Bill Summary: The bill establishes the 2024 special assessments for Florida Agency for Health Care Administration (AHCA)-licensed hospitals in Jacksonville to contribute funding to the state's Directed Payment Program (DPP) through the Local Provider Participation Fund (LPPF) at 0.30% of each hospital's gross patient revenue. It sets the public hearings on the assessment for the August 27 and September 10 City Council meetings. The bill adopts a 2024 Assessment Roll and establishes the method of collection as an alternative method pursuant to Chapter 170, Florida Statutes. It authorizes the Mayor to execute the AHCA Letter of Agreement.

Background Information: The federal government and the states have created a mechanism by which hospitals may leverage expanded Medicaid funding by financing the non-federal share of the Medicaid program. The mechanism provides that hospitals may be charged a special assessment which will be placed into a fund that is transmitted to the state to pay the county/city's portion of the non-federal share of the Medicaid shortfall. The proposed assessment is based on a portion of their gross patient revenue. Historically, for every \$1 funded by the state, the federal government contributes \$1.82. The 12 participating hospitals in Jacksonville are agreeable to paying the special assessment at a rate of 0.30% of gross patient revenue which would generate an estimated \$79,273,515 million to leverage \$65 million in additional Medicaid funding.

Policy Impact Area: Medicaid health care cost coverage

Fiscal Impact: None to the City. The special assessment is preliminarily estimated to produce \$79,273,515 million from the 12 hospital systems which would be used to leverage approximately \$65 million in additional Medicaid funding.

Analyst: Clements