

CITY COUNCIL RESEARCH DIVISION

LEGISLATIVE SUMMARY



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Bill Type and Number: 2021-456

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

Date of Introduction: July 27, 2021

Committee(s) of Reference: NCSPHS, F

Date of Analysis: July 29, 2021

Type of Action: Initial Special Assessment Ordinance

Bill Summary: This bill authorizes a special assessment on all AHCA licensed Hospital property to fund year 1 of the Medicaid gap for the Direct Provider Program for October 2020 through September 2021. The manner for assessing property shall be calculated using a uniform rate determined by number of patients and revenue, or another similar uniform calculation, applied to each assessed property. The Finance Department will receive reports from the Hospitals, AHCA and possibly private healthcare management companies that will be used for the monitoring and auditing process. Imposing an assessment limited to Hospital properties will help fund the provision of Medicaid services and the achievement of certain quality standards by the Hospitals to residents of the City of Jacksonville.

Background Information: This legislation was created at the request of local hospitals to allow them to capture more of the funding for Medicaid services which provides a direct benefit to the community. On average, Medicaid covers only 60% of the costs of the health care services actually provided by the Hospitals to Medicaid-eligible persons, leaving the Hospitals with significant uncompensated costs. Every hospital system in the City of Jacksonville has provided a letter of support for this legislation and this special assessment on their hospital property. There will zero impact to the General Fund; the funds for the complete cost of the program will be paid directly by the hospitals assessed, paid directly into a special fund to be identified as the "Local Provider Participation Fund." The funds will be directly transferred to the Agency for Health Care Administration through an intergovernmental transfer.

Policy Impact Area: Special Assessment - Hospitals

Fiscal Impact: No impact to the General Fund; the funds for the complete cost of the program will be paid directly by the hospitals assessed

Analyst: Hampsey