

# CITY COUNCIL RESEARCH DIVISION LEGISLATIVE SUMMARY



**JEFFREY R. CLEMENTS**  
Chief of Research  
(904) 255-5137

117 West Duval Street  
City Hall, Suite 425  
Jacksonville, FL 32202  
FAX (904) 255-5229

**Bill Type and Number:** Ordinance 2022-643

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

**Date of Introduction:** August 24, 2022

**Committee(s) of Reference:** F, NCSPHS

**Date of Analysis:** August 25, 2022

**Type of Action:** Establishing special assessment rate; approving special assessment roll; setting public hearing dates

**Bill Summary:** The bill establishes the 2022 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 0.21% of each hospital's gross patient revenue. It sets the public hearings on the assessment for the September 13 and September 27 City Council meetings. The bill adopts a 2022 Assessment Roll and establishes the method of collection as an alternative method pursuant to Chapter 170, *Florida Statutes*.

**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 11 participating hospitals in Jacksonville are agreeable to paying the special assessment at a rate of 0.21% of gross patient revenue which would generate an estimated \$44.74 million to leverage \$85 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 \$44,741,737 million from the 11 hospital systems which would be used to leverage approximately \$85 million in additional Medicaid funding.

**Analyst:** Clements