

**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 2024-506

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

Date of Introduction: July 23, 2024

Committee(s) of Reference: F

Date of Analysis: July 26, 2024

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 \$56,000,000 to Shands Jacksonville and for the use of some or 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 FY24-25 contains an allocation of \$56,000,000 to Shands Jacksonville for indigent care purposes, a 40% increase over the FY23-24 appropriation.

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; FY19/20 - \$26,275,594; FY20/21 - \$30,275,594; FY21-22 - \$35,000,000; FY22-23 - \$40,000,000; FY23-24 - \$40,000,000

Policy Impact Area: Indigent care funding

Fiscal Impact: \$56 million for indigent care purposes, some of which may be used to leverage additional Medicare funding. In FY21-22, UF Health contributed \$21,911,460 to draw down an additional \$65,152,207 for total LIP funding of \$87,063,667. The FY22-23 the contribution amount of \$21,911,460 drew down 37,912,466 in additional state funds for a total of \$59,823,926. The current year figures are not yet available.

Analyst: Clements