

# **Business Impact Estimate**

***This form must be posted on the City of Jacksonville's website by the time notice of the proposed ordinance is published.***

Ordinance Title:

Ord Code Etab the 2023 Special Assessments for FL Agency for Healthcare Administration (AHCA) Licensed Hospitals Pursuant to Ord 2021-456-E and Ord 2024-212-E

1. Summary of the proposed ordinance (must include a statement of the public purpose, such as serving the public health, safety, morals, and welfare):

To renew the annual assessment for AHCA hospitals in Duval County to provide Local Provider Participation Funding (LPPF) for the Directed Payment Program (DPP). This is the 5th year requesting the LPPF assessment as the City Council has historically approved this action via 2021-456-E and 2024-212-E, and then per Chapters 491 and 492, Ordinance Code, as applicable, via 2021-581-E, 2022-643-E, 2023-551-E, and 2024-632-E.

The bill will establish the 2025 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 \$29,082 of each hospital's available bed. The bill will adopt a 2025 Assessment Roll and establish the method of collection as an alternative method pursuant to Chapter 170, Florida Statutes.

The proposed assessment is based on a rate per available bed. For 2025, the 12 previously participating hospitals in Jacksonville are agreeable to paying the special assessment at \$29,082 per available bed, which would generate an approximately \$104 million in local funding. Early estimates indicate this will draw down at least \$400–\$450 million in gross supplemental funding through the DPP and low-income pool programs.

2. An estimate of the direct economic impact of the proposed ordinance on private, for-profit businesses in the City of Jacksonville, if any:

(a) An estimate of direct compliance costs that businesses may reasonably incur;

(b) Any new charge or fee imposed by the proposed ordinance or for which businesses will be financially responsible; and

(c) An estimate of the City of Jacksonville's regulatory costs, including estimated revenues from any new charges or fees to cover such costs.

The legislation serves to generate an additional \$104 million in additional funding for local hospitals.

3. Good faith estimate of the number of businesses likely to be impacted by the proposed  
12 hospitals will receive financial benefit from this legislation.

4. Additional information the governing body deems useful (if any):

This Ordinance supports our local hospitals experiencing Medicaid shortfall, and particularly our local safety net hospital experiencing a disproportionate share of low income and indigent care patients.