

**CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY**



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Bill Type and Number: Ordinance 2022-495

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

Date of Introduction: June 28, 2022

Committee(s) of Reference: NCSPHS, F

Date of Analysis: June 30, 2022

Type of Action: Amendment to indigent care agreement and disproportionate share hospital letter of agreement; request for emergency passage on first reading

Bill Summary: The bill authorizes an amendment to 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 \$35,000,000 to Shands Jacksonville to provide for an increase in the amount of City funding being contributed 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. In order for the State to draw down the total available federal funding allotment for State fiscal year 2021-2022, the State requested the City to amend its disproportionate share hospital letter of agreement with the State to provide an additional \$1,259,221 to the State for use in the State's Medicaid hospital program, which will result in an additional \$3,873,515 in disbursements from the State to Shands.

The nature of the emergency is that the State of Florida must receive the letter of agreement by June 30, 2022 in order for Shands to be eligible for the additional funding.

Policy Impact Area: Indigent care funding

Fiscal Impact: The amendment to the agreement will result in an additional \$3,873,515 in Medicaid disbursements from the State to Shands Medical Center.

Analyst: Clements