

1 Introduced by the Council President at the request of the Mayor and  
2 Co-Sponsored by Council Member Gaffney, Jr. and amended by the  
3 Neighborhoods, Community Services, Public Health and Safety  
4 Committee:

5  
6  
7 **ORDINANCE 2024-212-E**

8 AN ORDINANCE AUTHORIZING A SPECIAL ASSESSMENT ON  
9 HOSPITALS LICENSED BY THE AGENCY FOR HEALTHCARE  
10 ADMINISTRATION TO FUND THE LOW-INCOME POOL  
11 PROGRAM; INCORPORATING RECITALS; ESTABLISHING  
12 AUTHORITY AND FINDINGS; RECOGNIZING NO FINANCIAL  
13 IMPACT TO THE CITY; CREATING A NEW CHAPTER 492  
14 (LOW-INCOME POOL ASSESSMENT); INCLUDING PURPOSE  
15 AND AUTHORITY; IDENTIFYING THE REQUIREMENTS FOR  
16 THE SPECIAL ASSESSMENT; PROVIDING EXHIBIT 1  
17 LISTING THE PROPERTIES TO BE ASSESSED;  
18 AUTHORIZING ANNUAL SIGNING OF THE AHCA LETTER OF  
19 AGREEMENT AND THE DISPERSING OF FUNDS; PROVIDING  
20 PROCEDURES FOR COLLECTION OF THE ASSESSMENTS;  
21 INCLUDING CODIFICATION INSTRUCTIONS; PROVIDING  
22 AN EFFECTIVE DATE.

23  
24 **WHEREAS,** an estimated twelve percent (12%) of Jacksonvillians  
25 are uninsured and do not qualify for Medicaid; and

26 **WHEREAS,** Florida Agency for Health Care Administration  
27 ("AHCA") licensed hospitals in Duval County ("Hospitals") annually  
28 provide millions of dollars of uncompensated care for individuals  
29 that do not qualify for Medicaid, but cannot afford health insurance;  
30 and

31 **WHEREAS,** similar to the Directed Payment Program ("DPP")

1 created by the Council through Ordinance 2021-456-E, the State and  
2 the Centers for Medicare and Medicaid Services ("CMS") have approved  
3 the Low Income Pool ("LIP") program, which allows local governments  
4 to provide funding to the State through an Intragovernmental Transfer  
5 ("IGT") that is then transmitted to the federal government, and which  
6 allows the local providers to receive additional federal matching  
7 funds which can then be used to cover the costs for some of the  
8 uncompensated care; and

9 **WHEREAS**, the impacted Hospitals have asked the City of  
10 Jacksonville to impose a second special assessment upon certain real  
11 property owned by the Hospitals to help finance the LIP program to  
12 provide access to additional federal match dollars to compensate  
13 providers for uncompensated services; and

14 **WHEREAS**, allowing hospitals to fund the local government IGT  
15 will allow the Hospitals to reduce the financial shortfall related  
16 to uncompensated care; and

17 **WHEREAS**, the only properties to be assessed are the real  
18 property sites of such AHCA licensed Hospitals, as defined in Section  
19 395.002(12), *Florida Statutes*, located in the jurisdictional limits  
20 of the City of Jacksonville and attached hereto as **Exhibit 1**, and  
21 incorporated herein by this reference; and

22 **WHEREAS**, the City of Jacksonville recognizes that one or more  
23 Hospitals within Duval County's boundaries may be located upon real  
24 property leased from governmental entities and that such Hospitals  
25 may be assessed because courts do not make distinctions on the  
26 application of assessments based on property interests but rather on  
27 the distinction of the classifications of real property being  
28 assessed; and

29 **WHEREAS**, funding raised by the City of Jacksonville LIP  
30 hospital special assessment will, through IGTs transferred pursuant  
31 to executed Letters of Agreement between the City on behalf of the

1 Hospitals and the State of Florida Agency for Health Care  
2 Administration, in substantially the same form as attached hereto as  
3 **Exhibit 2**, consistent with federal guidelines, support additional  
4 funding for payments to Hospitals for uncompensated care; and

5 **WHEREAS**, the City of Jacksonville acknowledges that the  
6 Hospital properties assessed will receive a direct, special, and  
7 particular benefit from the assessment as a result of the above  
8 described additional funding provided to said Hospitals; and

9 **WHEREAS**, the City of Jacksonville has determined that a logical  
10 relationship exists between the medical services provided by the  
11 Hospitals, which will be supported by the special assessment, and the  
12 special and particular benefit to the real property of the Hospitals;  
13 and

14 **WHEREAS**, the City of Jacksonville has an interest in promoting  
15 access to health care for the uninsured, and leveraging additional  
16 federal support through the above-described IGTs to fund payments to  
17 the Hospitals for health care services provided to eligible persons  
18 directly and specifically benefits the Hospitals and supports their  
19 continued ability to provide services; and

20 **WHEREAS**, imposing an assessment limited to Hospital properties  
21 to help fund the LIP program for uncompensated hospital services in  
22 the City of Jacksonville is a valid public purpose that benefits the  
23 health, safety, and welfare of the citizens of the City of  
24 Jacksonville; and

25 **WHEREAS**, the Hospitals are important contributors to the City  
26 of Jacksonville's overall economy, and the financial benefit to these  
27 Hospitals directly and specifically supports their mission, as well  
28 as their ability to grow, expand, and maintain their facilities in  
29 concert with the population growth in the jurisdiction of the City  
30 of Jacksonville; and

31 **WHEREAS**, the City of Jacksonville finds the special assessment

1 will enhance the services of the Hospitals and will increase the  
2 value of their properties and facilities under all present  
3 circumstances and those of the foreseeable future; and

4 **WHEREAS,** the City of Jacksonville will only impose, upon each  
5 Hospital property, a properly apportioned assessment in an amount  
6 that is compliant with federal and state laws; and

7 **WHEREAS,** this Ordinance will enable the City of Jacksonville  
8 to levy a special assessment, which is fairly and reasonably  
9 apportioned among the Hospital properties within the City of  
10 Jacksonville's jurisdictional limits, to establish and maintain a  
11 system of funding for IGTs to support the LIP program which provides  
12 access to federal repayment funds for uncompensated services that  
13 will directly and specially benefit Hospital properties; now  
14 therefore

15 **BE IT ORDAINED** by the Council of the City of Jacksonville:

16 **Section 1. Incorporating the Recitals.** The foregoing  
17 "WHEREAS" clauses are hereby ratified and confirmed as being true and  
18 correct and are hereby made a specific part of this Ordinance upon  
19 adoption thereof.

20 **Section 2. Authority and Findings.** This Initial Special  
21 Assessment Ordinance is adopted pursuant to the authority granted in  
22 Chapter 170, *Florida Statutes*, Chapter 715, *Jacksonville Ordinance*  
23 *Code*; as well as the home rule powers conferred upon municipalities  
24 and chartered counties by Article VIII of the Florida Constitution;  
25 and Chapters 125 and 166, *Florida Statutes*.

26 **Section 3. No pecuniary obligation for the City.** Creation  
27 and implementation of the assessment shall not result in any  
28 additional pecuniary obligation on the City of Jacksonville.

29 **Section 4. Creating a new Chapter 492 (Low-Income Pool**  
30 **Assessment), Title XIII (Health Code), Ordinance Code.** Chapter 492  
31 (Low-Income Pool Assessment), Title XIII (Health Code), *Ordinance*

1 Code, is hereby created and shall read as follows:

2 **Title XIII - HEALTH CODE**

3 \* \* \*

4 **Chapter 492 - Low-Income Pool Assessment**

5 **Sec. 492.101. - Purpose and Authority**

6 The purpose of the Low-Income Pool (LIP) assessment is to provide  
7 a funding source for the LIP program which allows hospitals in the  
8 area to collect additional funding to cover the costs of uncompensated  
9 care. This Initial Special Assessment Ordinance is adopted pursuant  
10 to the authority granted in Chapter 170, *Florida Statutes*, Chapter  
11 715, *Jacksonville Ordinance Code*; as well as the home rule powers  
12 conferred upon municipalities and chartered counties by Article VIII  
13 of the Florida Constitution; and Chapters 125 and 166, *Florida*  
14 *Statutes*.

15 **Sec. 492.102. - Special Assessment for the Low-Income Pool (LIP)**  
16 **Program Authorized.**

17 (a) The City of Jacksonville is hereby authorized to create a  
18 special assessment which will provide additional revenue towards  
19 uncompensated healthcare provided by Duval County AHCA licensed  
20 hospitals. The cost to be assessed will be based on the total funds  
21 needed for the area as determined by AHCA. Funds generated as a result  
22 of the special assessment shall be held in a separate account for the  
23 Low Income Pool Hospital Assessment.

24 (b) *Method of Apportioning and Computation.* The assessment  
25 shall be broad based, and the amount of the assessment shall be  
26 uniformly imposed on each assessed property. The assessment may not  
27 hold harmless any institutional health care provider, as required by  
28 federal law. Assessments for each assessed property will be computed  
29 from data contained in the Florida Hospital Uniform Reporting System,  
30 as available from AHCA, and/or from cost reports. As permitted by  
31 law, the assessment shall constitute a lien upon the assessed

1 properties equal in rank and dignity with the liens of all state,  
2 City of Jacksonville, district, or municipal taxes and other non-ad  
3 valorem assessments. Enforcement of the assessment shall be by any  
4 remedy authorized by law.

5 (c) *Boundaries/Properties to be Assessed.* The properties to be  
6 assessed as a part of this program are only properties licensed as  
7 hospitals by AHCA as defined in Fla. Stat. 395.002(12), located in  
8 Duval County.

9 (d) *Estimated Rate and Maximum Rate.* The Annual Assessment  
10 shall be specified for each assessed property in the Annual Assessment  
11 Roll and the applicable notices. The City of Jacksonville shall set  
12 the assessment in an amount that in the aggregate will generate  
13 sufficient revenue to fund the LIP payment associated with local  
14 services to be funded by the assessment. The rate, will be a  
15 multiplier, based on a percentage or fee, which will be multiplied  
16 against the multiplicand, which will be a uniform category applicable  
17 to all entities being assessed (e.g. beds, total dollars of revenue,  
18 etc.).

19 The amount of the assessment required of each assessed property  
20 may not exceed the limits set forth in federal law under 42 CFR s.  
21 433.68, or any subsequent applicable law.

22 (e) *Date and Time of Public Hearing.* The roll shall be  
23 approved at a public hearing in accordance with the requirements set  
24 forth in the Florida Statutes and the Jacksonville Ordinance Code.

25 (f) *Assessment Roll Prepared.* Annually the rate shall be  
26 established as a part of the Annual Assessment Roll.

27 (g) *Notice.* Notice of the public hearing for the Annual  
28 Assessment Roll shall be both published with all required information  
29 set forth in *Florida Statutes*, and in Section 715.204, *Ordinance*  
30 *Code*, and mailed to each assessed facility, providing all information  
31 required under Section 715.205, *Ordinance Code*.

1 **Sec. 492.103. - Annual Authorization to Sign Letter of Agreement**  
2 **(LOA) and Disburse Funds.**

3 Annually, the Director of Finance and Administration is hereby  
4 authorized (i) to sign the applicable LOA from AHCA each year and  
5 (ii) to make disbursements of the LIP funds as follows:

6 (1) to provide to AHCA the requested funds for the LIP program  
7 which allow access to additional federal funds for uncompensated care  
8 provided by area hospitals; and

9 (2) to reimburse the City of Jacksonville for administrative  
10 costs associated with the implementation of the assessment, as further  
11 specified in the implementing ordinances. Any reasonable expenses the  
12 City of Jacksonville incurs to collect delinquent assessments,  
13 including any attorney's fees incurred as a result of contracting  
14 with an attorney to represent the City of Jacksonville in seeking and  
15 enforcing the collection of delinquent assessments, are authorized  
16 as administrative costs, subject to any limitation in federal or  
17 state law.

18 **Sec. 492.104. Procedures.**

19 The assessments authorized in this Chapter may be imposed and  
20 collected pursuant to any method authorized by law, including, but  
21 not limited to, Chapter 170, *Florida Statutes*. This assessment may  
22 be prepared independently or in conjunction with the LPPF/DPP  
23 assessments set forth in Chapter 491, *Ordinance Code*, if the  
24 assessment roll, notice, and invoice clearly indicate the application  
25 of both Chapters and funds.

26 **Section 5. Codification Instructions.** The Codifier and the  
27 Office of General Counsel are authorized to make all chapter and  
28 division "table of contents" consistent with the changes set forth  
29 herein. Such editorial changes and any other necessary to make the  
30 *Ordinance Code* consistent with the intent of this legislation are  
31 approved and directed herein, and the changes to the *Ordinance Code*

1 shall be made forthwith and when inconsistencies are discovered.

2 **Section 6. Effective Date.** This Ordinance shall become  
3 effective upon signature by the Mayor or upon becoming effective  
4 without the Mayor's signature.

5

6 Form Approved:

7

8           /s/ Mary E. Staffopoulos          

9 Office of General Counsel

10 Legislation Prepared By: Trisha D. Bowles

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