

# RESOLUTION

*of the*

**ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS**

*regarding*

## **THE APPROVAL OF THE IMPOSITION AND COLLECTION OF A NON-AD VALOREM SPECIAL ASSESSMENT WITHIN THE COUNTY FOR THE PURPOSE OF BENEFITING ASSESSED HOSPITAL PROPERTIES THROUGH ENHANCED MEDICAID PAYMENTS FOR LOCAL SERVICES**

**Resolution No. 2022-M-54**

**WHEREAS**, the hospitals in Orange County's jurisdiction (the "Hospitals") annually provide millions of dollars of uncompensated care to uninsured persons and those who qualify for Medicaid because Medicaid covers only a portion of the costs of the health care services actually provided by hospitals to Medicaid-eligible persons, leaving hospitals with significant uncompensated costs; and

**WHEREAS**, the State of Florida (the "State") received federal authority to establish the Statewide Medicaid Managed Care Hospital directed payment program (the "DPP") to offset hospitals' uncompensated Medicaid costs and improve quality of care provided to Florida's Medicaid population; and

**WHEREAS**, impacted Hospitals have asked Orange County (the "County") to impose a non-ad valorem special assessment upon certain real property interests held by the Hospitals to help finance the non-federal share of the State's Medicaid program; and

**WHEREAS**, the only real property interests that will be subject to the non-ad valorem assessment authorized herein are those belonging to the Hospitals; and

**WHEREAS**, the funding raised by the County assessment will, through intergovernmental transfers ("IGTs") provided consistent with federal guidelines, support additional funding for Medicaid payments to the Hospitals; and

**WHEREAS**, the County acknowledges that the Hospital properties assessed will benefit directly and specially from the assessment as a result of the above-described additional funding provided to said Hospitals; and

**WHEREAS**, the County has determined that a logical relationship exists between the services provided by the Hospitals supported by the assessment, and the special and particular benefit to the real property of the Hospitals; and

**WHEREAS**, the County has an interest in promoting access to health care for its low-income and uninsured residents; and

**WHEREAS**, leveraging additional federal support through the above-described IGTs to fund Medicaid payments to the Hospitals for health care services directly and specifically benefits the Hospitals' property interests and supports their continued ability to provide those services; and

**WHEREAS**, imposing an assessment limited to Hospital properties to help fund the provision of these services and the achievement of certain quality standards by the Hospitals to residents of the County is a valid public purpose that benefits the health, safety, and welfare of the citizens of the County; and

**WHEREAS**, the assessment ensures the financial stability and viability of the Hospitals providing such services; and

**WHEREAS**, the Hospitals are important contributors to the County's economy, and the financial benefit to these Hospitals directly and specifically supports their mission, as well as their ability to grow, expand, and maintain their facilities in concert with the population growth in the jurisdiction of the County; and

**WHEREAS**, the Board finds the assessment will enhance the Hospitals' ability to grow, expand, maintain, improve, and increase the value of their Orange County properties and facilities under all present circumstances and those of the foreseeable future; and

**WHEREAS**, the County is proposing a properly apportioned assessment by which all Hospitals will be assessed at a uniform rate that is compliant with 42 C.F.R. § 433.68(d); and

**WHEREAS**, the Orange County Local Provider Participation Fund Ordinance, codified at Article XI, Chapter 25 of the Orange County Code of Ordinances ("the Ordinance"), enables the County to levy a uniform non-ad valorem special assessment, which is fairly and reasonably apportioned among the Hospitals' property interests within the County's jurisdictional limits, to establish and maintain a system of funding for IGTs to support the non-federal share of Medicaid payments, thus directly and specially benefitting Hospital properties.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ORANGE COUNTY, FLORIDA:

**Section 1. Definitions.** As used in this Resolution, the following capitalized terms, not otherwise defined herein or in the Ordinance, shall have the meanings below, unless the context otherwise requires.

*Assessed Property* means the real property in the County to which an Institutional Health Care Provider holds a right of possession and right of use through an ownership or leasehold interest, thus making the property subject to the Assessment.

*Assessment* means a non-ad valorem special assessment imposed by the County to fund the non-federal share of Medicaid and Medicaid managed care payments that will benefit hospitals providing Local Services in the County. For the period covered by this Resolution, the Assessment will be based on hospital net patient revenue.

*Board* means the Board of County Commissioners of Orange County, Florida.

*Comptroller* means the Orange County Comptroller, ex officio Clerk to the Board, or other such person as may be duly authorized to act on such person's behalf.

*County* means Orange County, Florida.

*Fiscal Year* means the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law as the fiscal year for the County.

*Institutional Health Care Provider* means a private for-profit or not-for-profit hospital that provides inpatient hospital services.

*Local Services* means the provision of healthcare services to Medicaid, indigent, and uninsured members of the Orange County community.

*Non-Ad Valorem Assessment Roll* means the special assessment roll prepared by the County.

*Ordinance* means the Orange County Local Provider Participation Fund Ordinance codified at Article XI, Chapter 25, Orange County Code of Ordinances.

**Section 2. Authority.** Pursuant to Article VIII, Section 1(g) of the Constitution of the State of Florida, Chapter 125 of the Florida Statutes, and the Orange County Charter, the Board is hereby authorized to impose a special assessment against private for-profit and not-for-profit hospitals located within the County to fund the non-federal share of Medicaid payments associated with Local Services.

**Section 3. Special Assessment.** The non-ad valorem special assessment discussed herein shall be imposed, levied, collected, and enforced against Assessed Properties located within the County. Proceeds from the Assessment shall be used to benefit Assessed Properties through a Medicaid payment program that will benefit the Assessed Properties for Local Services.

When imposed, the Assessment shall constitute a lien upon the Assessed Properties equal in rank and dignity with the liens of all state, county, district, or municipal taxes and other non-ad valorem assessments. Payments made by Assessed Properties may not be passed along to patients of the Assessed Property as a surcharge or as any other form of additional patient charge. Failure to pay may cause foreclosure proceedings to commence, which could result in loss of title.

**Section 4. Assessment Scope, Basis, and Use.** Funds generated from the Assessment shall be held in a separate account called the local provider participation fund and shall be used only to:

1. Provide to the Florida Agency for Health Care Administration the non-federal share for Medicaid payments to be made directly or indirectly in support of hospitals serving Medicaid beneficiaries; and

2. Reimburse the County for administrative costs associated with the implementation of the Assessment authorized by the Ordinance.

If, at the end of the Fiscal Year, additional amounts remain in the local provider participation fund, the Board is hereby authorized to refund to Assessed Properties, in proportion to amounts paid in during the Fiscal Year, all or a portion of the unutilized local provider participation fund.

**Section 5. Computation of Assessment.** The Assessment shall equal 1.48% of hospital net patient revenue for each Assessed Property identified in the Non-Ad Valorem Assessment Roll attached hereto as Exhibit "A". The amount of the Assessment required of each Assessed Property may not exceed an amount that, when added to the amount of other hospital assessments levied by the state or local government, exceeds the maximum percent of the aggregate net patient revenue of all Assessed Hospitals in the County permitted by 42 C.F.R. § 433.68(f)(3)(i)(A). Assessments for each Assessed Property will be derived from data contained in the Florida Hospital Uniform Reporting System, as available from the Florida Agency for Health Care Administration.

**Section 6. Timing and Method of Collection.**

(A) The amount of the Assessment is to be collected from the owners of the Assessed Properties as described herein.

(B) The County shall provide Assessment invoices by first class mail to the owner of each Assessed Property. The invoice and or accompanying explanatory material shall include (1) a reference to this Resolution, (2) the total amount of the Assessment due for the appropriate period, (3) the location at which payment will be accepted, (4) the date on which the Assessment is due, and (5) a statement that the

Assessment constitutes a lien against the Assessed Property equal in rank and dignity with the liens of all state, county, district, or municipal taxes and other non-ad valorem assessments.

(C) The Hospitals shall pay to the County the full assessment promptly upon the passing of this Resolution, but in no event later than November 30, 2022.

No act of error or omission on the part of the County or the Comptroller, or their respective officers, employees or agents, shall operate to release or discharge any obligation for payment of the Assessment imposed by the Board under the Ordinance and this Resolution.

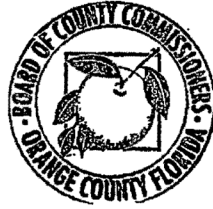
**Section 7. Responsibility for Enforcement.** The County and the Comptroller shall maintain the duty to enforce the prompt collection of the Assessment by the means provided herein. The duties related to collection of assessments may be enforced at the suit of any holder of obligations in a court of competent jurisdiction by mandamus or other appropriate proceedings or actions.

**Section 8. Severability.** If any clause, section, or provision of this Resolution is declared unconstitutional or invalid for any reason or cause, the remaining portion hereof shall be in full force and effect and shall be valid as if such invalid portion thereof had not been incorporated herein.

**Section 9. Effective Date.** This Resolution shall take effect upon the date of its adoption.

[EXECUTION PAGE FOLLOWS]

ADOPTED THIS 27th DAY OF September, 2022.



ORANGE COUNTY, FLORIDA  
By: Board of County Commissioners

By: *Jerry L. Demings*  
for Jerry L. Demings  
Orange County Mayor

ATTEST: Phil Diamond, CPA, County Comptroller  
As Clerk of the Board of County Commissioners

By: *Phil Diamond*  
Deputy Clerk

**LOCAL PROVIDER PARTICIPATION FUND ASSESSMENT AREA**

**Exhibit "A" to Resolution No. 2022-M-54**

Assessment Number	Parcel ID Number / Legal Description	Owner(s)	Assessment Amount
001	13-22-29-2780-01-000 FLORIDA HOSPITAL - ROLLINS CAMPUS 61/89 LOT 1 (LESS THAT PART LYING WITHIN RR R/W PER 10290/1141) & LOCH HAVEN REPLAT Q/9 LOTS 1 THROUGH 4 BLK 3 LYING NLY OF REALIGNED ROLLINS AVE & LOTS 1 AND 6 BLK 6 LYING NLY OF REALIGNED ROLLINS AVE & THAT PT OF CLOSED ALDEN RD, BEDFORD RD, CAMDEN RD, AND PLATTED ROLLINS ST LYING NLY OF REALIGNED ROLLINS ST (LESS THAT PORTION OF LAKE WINYAH LYING WLY OF LOT 5, BLOCK "C" LAKE OAKS R/118 BEG SW COR OF SAID LOT 5 TH RUN S65-28-49W 35.55 FT N00-00-00W 105.90 FT N74-22-00E 33.59 FT S00-00-00W ALONG SAID W LINE OF LOT 5 TO POB PER 9052/4436) & (LESS BEG SW COR OF LOT 4 LAKE OAKS R/118 TH S74-22-00W 33.59 FT TH N00-00-00E 120.77 FT TH N90-00-00E 32.35 FT TH S00-00-00W 111.72 FT TO POB) & (LESS ROLLINS CAMPUS PHASE 2 80/113 LOT 1) & ROLLINS CAMPUS PHASE 2 80/113 LOT 1 & (LESS COMM AT THE W 1/4 CORNER SEC 13- 22-29 TH S89-46-18E 1904.85 FT TH N01-26- 47W 554.29 FT TO THE POB TH CONT N04-26- 47W 11.99 FT TH N89-00-22E 3.68 FT TH S01- 18-57E 11.99 FT TH S89-00-22W 3.65 FT TO THE POB SEE 10969/4271 & LESS COMM AT THE W 1/4 CORNER SEC 13-22-29 TH S89-46- 18E 1894.85 FT TH S01-26-47E 196.66 FT TO A POC CONCAVE WLY HAVING A RADIUS 1845.46 FT CHORD BRG S01-09-59E DELTA 00-33-35 AN ARC LENGTH 18.03 FT TO THE POB TH CONT ALONG ARC OF CURVE THRU ANGLE OF 00-29-49 AN ARC LENGTH 16.01 FT TH S89-51-23E 10.18 FT TH N00-01-56W 16.01 FT TH N89-51-23W 10.35 FT TO THE POB SEE 10969/4271)	ADVENTHEALTH ORLANDO 601 E ROLLINS STREET ORLANDO, FLORIDA 32803	\$59,252,308.00
002	17-22-29-4874-00-010 LAKESIDE PLACE AT PRINCETON 50/13 LOT 1	ASPIRE HEALTH PARTNERS 1800 MERCY DRIVE ORLANDO, FLORIDA 32808	\$121,533.00



Assessment Number	Parcel ID Number / Legal Description	Owner(s)	Assessment Amount
003	25-24-30-6052-01-000 NEMOURS CHILDRENS HOSPITAL 73/81 LOT 1	NEMOURS CHILDREN'S HOSPITAL 6535 NEMOURS PKWY ORLANDO, FLORIDA 32827	\$2,532,101.00
004	29-22-28-0000-00-031 N1/2 OF NE1/4 OF NE1/4 OF SEC 29-22-28 & IN WESTOVER FARMS PB O/120 LOTS 1 THROUGH 7 BLK A & LOTS 1 THROUGH 15 BLK B & VAC R/W LYING BETWEEN LOT 7 BLK A AND LOT 1 BLK B PER OR 6180/3956 & 30 FT VACATED R/W ON S PER 9648/0623 & (LESS STATE RD 50) & (LESS R/W ON W PER 4487/93 & 6337/3908) & (LESS R/W ON S & W PER 7444/1165) & BEG SW COR OF NW1/4 OF NW1/4 OF NW1/4 OF SEC 28-22-28 TH RUN E 540.3 FT N 662.4 FT W TO NW COR OF SEC S TO POB (LESS STATE RD) & (LESS PARTS TAKEN FOR R/W PER 8860/4155) & VACATED 30 FT R/W E OF LOTS 1 AND 2 BLK A OF WESTOVER FARMS O/120 PER OR 10461/7076 & 60 FT VACATED R/W BETWEEN LOT 15 BLK B AND LOT 6 BLK A AND 30 FT VACATED R/W E OF LOT 14 BLK B OF WESTOVER FARMS O/120 PER OR 10520/1699	ORLANDO HEALTH CENTRAL 10000 W COLONIAL DRIVE OCOE, FLORIDA 34761	\$3,703,603.00
005	35-22-29-6385-01-000 ORLANDO REGIONAL HEALTHCARE PLAT 5 71/117 LOT 1 (LESS COMM NW COR LOT 1 TH N89-29-02E 423.55 FT S45-33-34E 28.29 FT FOR POB BEING A PT ON A NON-TAN CURVE CONCAVE WLY W/ RAD OF 4159.43 FT & CHORD BEARING OF S00-17-00E TH SLY THROUGH CENT ANG OF 00-24-15 FOR 29.33 FT TO COMPOUND CURVE CONCAVE WLY W/ RAD OF 2819.93 FT & CHORD BEARING OF S00-39-37W TH SLY THROUGH CENT ANG OF 01-29-00 FOR 73.01 FT TH S01-24-37W 121.64 FT S00-50-37W 47.90 FT S32-17-	ORLANDO HEALTH 52 W UNDERWOOD STREET ORLANDO, FLORIDA 32806	\$37,879,822.00

Assessment Number	Parcel ID Number / Legal Description	Owner(s)	Assessment Amount
	29W 26.83 FT N88-42-56W 113.01 FT N01-00-06E 300.58 FT S88-59-54E 106.60 FT TO A NON-TAN CURVE CONCAVE SWLY W/ RAD OF 33.87 FT & CHORD BEARING OF S71-23-40E TH ELY THROUGH CENT ANG OF 36-03-05 FOR 21.31 FT TO POB)		
006	13-22-29-5132-03-090 LOCH HAVEN REPLAT Q/9 LOTS 9 10 & N 103.02 FT OF LOT 11 BLK 3	SELECT SPECIALTY HOSPITAL ORLANDO 2250 BEDFORD ROAD ORLANDO, FLORIDA 32803	\$859,448.00
007	12-24-28-0000-00-028 BEG 206.5 FT S 25 DEG W OF THE INT OF WLY R/W LINE OF SEA HARBOR DR & SLY R/W LINE OF ACADEMIC DR RUN S 25 DEG W 560.17 FT SWLY & NWLY ALONG CURVE 57.79 FT N 59 DEG W 216.38 FT NWLY 285.97 FT N 26 DEG E 582.57 FT S 63 DEG E 527.01 FT TO POB	CENTRAL FLORIDA BEHAVIORAL HEALTH 6601 CENTRAL FLORIDA PKWY ORLANDO, FLORIDA 32821	\$475,445.00
008	11-22-31-1243-20-010 CENTRAL FLORIDA RESEARCH PARK SECTION 3 19/24 LOTS 1 & 2 BLK 20	UNIVERSITY BEHAVIORAL CENTER 2500 DISCOVERY DRIVE ORLANDO, FLORIDA 32826	\$235,663.00

## Directed Payment Program Letter of Agreement

**THIS LETTER OF AGREEMENT (LOA)** is made and entered into in duplicate on the 27th day of September 2022, by and between Orange County, Florida (the "IGT Provider") on behalf of Region 7, and the State of Florida, **Agency for Health Care Administration** (the "Agency"), for good and valuable consideration, the receipt and sufficiency of which is acknowledged.

### DEFINITIONS

"Intergovernmental Transfers (IGTs)" means transfers of funds from a non-Medicaid governmental entity (e.g., counties, hospital taxing districts, providers operated by state or local government) to the Medicaid agency. IGTs must be compliant with 42 CFR Part 433 Subpart B.

"Medicaid" means the medical assistance program authorized by Title XIX of the Social Security Act, 42 U.S.C. §§ 1396 et seq., and regulations thereunder, as administered in Florida by the Agency.

"Directed Payment Program (DPP)," pursuant to the General Appropriation Act, Laws of Florida 2021-156, is the program that provides direct supplemental payments to eligible public and private entities that provide inpatient and outpatient services to Medicaid managed care recipients.

### A. GENERAL PROVISIONS

1. Per House Bill 5001, the General Appropriations Act of State Fiscal Year 2022-2023, passed by the 2022 Florida Legislature, the IGT Provider and the Agency agree that the IGT Provider will remit IGT funds to the Agency in an amount not to exceed the total of **\$132,916,977.00**. The IGT Provider and the Agency have agreed that these IGT funds will only be used for the DPP program.
2. The IGT Provider will return the signed LOA to the Agency.
3. The IGT Provider will pay IGT funds to the Agency in an amount not to exceed the total of **\$132,916,977.00**. The IGT Provider will transfer payments to the Agency in the following manner:
  - a. Per Florida Statute 409.908, annual payments for the months of July 2022 through June 2023 are due to the Agency no later than October 31, 2022, unless an alternative plan is specifically approved by the agency.
  - b. The Agency will bill the IGT Provider when payment is due.
4. The IGT Provider and the Agency agree that the Agency will maintain necessary records and supporting documentation applicable to health services covered by this LOA in accordance with public records laws and established retention schedules.

#### a. AUDITS AND RECORDS

- i. IGT Provider agrees to maintain books, records, and documents (including

**Orange County, Florida**

\_DPP LOA\_SFY 2022-23

**Region 7**

electronic storage media) pertinent to performance under this LOA in accordance with generally accepted accounting procedures and practices, which sufficiently and properly reflect all revenues and expenditures of funds provided.

- ii. IGT Provider agrees to assure that these records shall be subject at all reasonable times to inspection, review, or audit by state personnel and other personnel duly authorized by the Agency, as well as by federal personnel.
- iii. IGT Provider agrees to comply with public record laws as outlined in section 119.0701, Florida Statutes.

**b. RETENTION OF RECORDS**

- i. The IGT Provider agrees to retain all financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to performance under this LOA for a period of six (6) years after termination of this LOA, or if an audit has been initiated and audit findings have not been resolved at the end of six (6) years, the records shall be retained until resolution of the audit findings.
- ii. Persons duly authorized by the Agency and federal auditors shall have full access to and the right to examine any of said records and documents.
- iii. The rights of access in this section must not be limited to the required retention period but shall last as long as the records are retained.

**c. MONITORING**

- i. IGT Provider agrees to permit persons duly authorized by the Agency to inspect any records, papers, and documents of the IGT Provider which are relevant to this LOA.

**d. ASSIGNMENT AND SUBCONTRACTS**

- i. The IGT Provider agrees to neither assign the responsibility of this LOA to another party nor subcontract for any of the work contemplated under this LOA without prior written approval of the Agency. No such approval by the Agency of any assignment or subcontract shall be deemed in any event or in any manner to provide for the incurrence of any obligation of the Agency in addition to the total dollar amount agreed upon in this LOA. All such assignments or subcontracts shall be subject to the conditions of this LOA and to any conditions of approval that the Agency shall deem necessary.
5. This LOA may only be amended upon written agreement signed by both parties. The IGT Provider and the Agency agree that any modifications to this LOA shall be in the same form, namely the exchange of signed copies of a revised LOA.
6. IGT Provider confirms that there are no pre-arranged agreements (contractual or otherwise) between the respective counties, taxing districts, and/or the providers to re-direct any portion of these aforementioned supplemental payments in order to satisfy non-Medicaid, non-uninsured, and non-underinsured activities.

Orange County, Florida

\_DPP LOA\_SFY 2022-23

Region 7

- 7. IGT Provider agrees the following provision shall be included in any agreements between IGT Provider and local providers where IGT funding is provided pursuant to this LOA. Funding provided in this agreement shall be prioritized so that designated IGT funding shall first be used to fund the Medicaid program and used secondarily for other purposes.
- 8. This LOA covers the period of July 1, 2022, through June 30, 2023 and shall be terminated September 30, 2023, which includes the states certified forward period.
- 9. This LOA may be executed in multiple counterparts, each of which shall constitute an original, and each of which shall be fully binding on any party signing at least one counterpart.

<b>DPP Local Intergovernmental Transfers</b>	
Program / Amount	State Fiscal Year 2022-2023
Estimated IGTs	\$132,916,977.00
<b>Total Funding Not to Exceed</b>	<b>\$132,916,977.00</b>

**IN WITNESS WHEREOF**, the parties have caused this page Letter of Agreement to be executed by their undersigned officials as duly authorized.

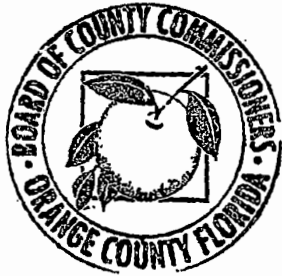
**STATE OF FLORIDA, AGENCY FOR  
HEALTH CARE ADMINISTRATION**

**SIGNED**  
**BY:** Tom Wallace  
**NAME:** Tom Wallace  
**TITLE:** Deputy Secretary for Medicaid  
**DATE:** 4/8/22

**Orange County, Florida**

\_DPP LOA\_SFY2022-23

**Region 7**



ORANGE COUNTY, FLORIDA  
By: Board of County Commissioners

By: *Raymond B. Bwaka*  
for Jerry L. Demings  
Orange County Mayor

ATTEST: Phil Diamond, CPA, County Comptroller  
As Clerk of the Board of County Commissioners

By: *Phil Diamond*  
Deputy Clerk