

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, ESTABLISHING NON-AD VALOREM SPECIAL ASSESSMENTS WITHIN THE COUNTY LIMITS PURSUANT TO THE PALM BEACH COUNTY LOCAL PROVIDER PARTICIPATION FUND ORDINANCE FOR THE PURPOSE OF BENEFITING ASSESSED HOSPITAL PROPERTIES THROUGH ENHANCED MEDICAID PAYMENTS FOR LOCAL SERVICES.**

**WHEREAS**, on August 26, 2021, the Palm Beach County Board of County Commissioners (the Board) adopted The Palm Beach County Local Provider Participation Fund Ordinance (the Ordinance) enabling Palm Beach County (the County) to levy a uniform non-ad valorem special assessment, which is fairly and reasonably apportioned among Hospitals' property interests within the County's jurisdictional limits for the purpose of benefiting assessed Hospital properties through enhanced Medicaid payments for local services; and

**WHEREAS**, the Hospitals subject to the Ordinance asked the County to enact the Ordinance imposing a special assessment on certain real property owned or leased by the Hospitals to help finance the non-federal share of the state's Medicaid program, in exchange for which the Hospitals agreed to indemnify and/or hold harmless the County and its assigns for any and all liability of any kind resulting from enactment, application, or enforcement of this Ordinance; and

**WHEREAS**, the Hospitals subject to the Ordinance entered into Indemnification Agreements or Assent and Non Objection Agreements with the County in which each Hospital expressly waived actual receipt of notice under the Ordinance and Resolution; and

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

**WHEREAS**, the Ordinance provides that the Board must adopt an Annual Final Assessment Resolution and Non-Ad Valorem Assessment Roll which shall: a) describe the Medicaid payments proposed for funding from proceeds of the Assessment; b) describe the methodology for computing the Assessment to be imposed; c) set the Non-Ad Valorem Assessment Roll, with such amendments as it deems just and right; and d) describe the method of collection; and

**WHEREAS**, the County and the Health Care District of Palm Beach County (the District) entered into an Interlocal Agreement in which the District accepted the role of Assessment Coordinator to administer the Assessment imposed pursuant to the Ordinance and this Resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH 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 on Assessed Property to fund the non-federal share of Medicaid and Medicaid managed care payments that will benefit hospitals providing Local Services in the County as provided in the Ordinance.

*Assessment Coordinator* means the Health Care District of Palm Beach County, an Assignee of the County covered under the indemnification and hold harmless protections afforded to the County by agreement with the Hospitals, which is entering into an Interlocal Agreement with the County concurrently with the adoption of this Resolution to administer the Assessment imposed pursuant to the Ordinance and this Resolution.

*Board* means the Palm Beach County Board of County Commissioners.

*Comptroller* means the Palm Beach County Clerk of Court and Comptroller.

*County* means Palm Beach 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 health care services to Medicaid, indigent, and uninsured members of the Palm Beach County community.

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

*Ordinance* means the Palm Beach County Local Provider Participation Fund Ordinance.

*Tax Collector* means the Palm Beach County Tax Collector.

**Section 2. 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 directed payment program that will benefit the Assessed Properties for Local Services.

When imposed, the Assessment shall constitute a lien upon the Assessed Properties owned by Hospitals and/or a lien upon improvements on the Property made by Hospital leaseholders 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, which could result in loss of title.

**Section 3. Assessment Scope, Basis, and Use.** Funds generated from the Assessment shall be used only to:

A. Provide to the Florida Agency for Health Care Administration (AHCA) the non-federal share for Medicaid managed care hospital directed payments to be made directly or indirectly in support of hospitals serving Medicaid beneficiaries; and

B. Reimburse the County and Assessment Coordinator for administrative costs associated with the implementation of the Assessment authorized by the Ordinance and this Resolution.

**Section 4. Computation of Assessment.** The Assessment shall equal 0.20% of gross patient revenue for each Assessed Property as specified in the attached 2022-2023 Non-Ad Valorem Assessment Roll, which the Board hereby approves. 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 cost reports and/or in the Florida Hospital Uniform Reporting System, as available from the Florida Agency for Health Care Administration.

**Section 5. Surplus and Returned Funds.** If, at the end of the Fiscal Year, additional amounts remain in the Local Provider Participation Fund, the Board may either: (a) 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; or (b) if requested to do so by the Assessed Properties, to retain such amounts in the fund to transfer to the Agency in the next fiscal year for use as the non-federal share of Medicaid hospital payments.

If, after the Assessment funds are transferred to AHCA, that State agency returns some or all of the transferred funding to the County (including, but not limited to, a return of the non-federal share after a disallowance of matching federal funds), the Board authorizes to refund to Assessed Properties, in proportion to amounts paid in during the Fiscal Year, the amount of such returned funds, or to retain such amounts in the fund to transfer to the Agency in the next fiscal year for use as the non-federal share of Medicaid hospital payments.

**Section 6. Timing and Method of Collection.** The amount of the assessment is to be collected by the Assessment Coordinator pursuant to the Alternative Method outlined in §197.3631, Florida Statutes. Each of the Hospitals executed either an Indemnification Agreement or an Assent

and Non Objection Agreement, in which each Hospital expressly waived receipt of notice of the special assessment as provided in the Ordinance.

The Hospitals will be provided Assessment Invoices by first class mail to the owner or representative of each affected Hospital. The Invoice shall include: (1) the total amount of the hospital's Assessment for the appropriate period, (2) the location at which payment will be accepted, (3) the date on which the Assessment is due, and (4) a statement that the Assessment constitutes a lien against assessed property and/or improvements equal in rank and dignity with the liens of all state, county, district or municipal taxes and other non-ad valorem assessments.

No act of error or omission on the part of the Assessment Coordinator, Board, or their deputies or employees 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. Administrative Expenses.** The District, as Assessment Coordinator, may bill and collect an amount from the LPPF Fund not-to-exceed \$300,000 for payment of past and future services related to consultants, experts, legal fees, and other expenses incurred during fiscal year 2023.

**Section 8. Responsibility for Enforcement.** The County, with the assistance of the Assessment Coordinator, 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 by suit in a court of competent jurisdiction, or by other appropriate proceedings or actions.

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The foregoing resolution was offered by Commissioner \_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_, and upon being put to a vote, the vote was as follows:

Robert S. Weinroth, Mayor	-	_____
Gregg K. Weiss, Vice Mayor	-	_____
Commissioner Maria G. Marino	-	_____
Commissioner David Kerner	-	_____
Commissioner Maria Sachs	-	_____
Commissioner Melissa McKinlay	-	_____
Commissioner Mack Bernard	-	_____

The Mayor thereupon declared the Resolution duly passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

ATTEST:  
CLERK OF CIRCUIT COURT  
AND COMPTROLLER  
Joseph Abruzzo

PALM BEACH COUNTY, Florida  
By its Board of County Commissioners

By: \_\_\_\_\_  
Clerk of Court & Comptroller

By: \_\_\_\_\_  
Robert S. Weinroth, Mayor

Approved as to Form and Legal Sufficiency:

Approved as to Content:

By: *Helene C. Stuyd*  
Assistant County Attorney

By: \_\_\_\_\_  
Reginald K. Duren, Assistant County Administrator