

OMB Granicus Review

Granicus Title	Ordinance enabling the County to impose and collect an annual non-ad valorem special assessment levied solely on property owned or leased by hospitals to fund the Hospital Directed Payment Program.				
Granicus ID#	24-0973A	Reference #		Date	3/8/2024

Mark all Applicable Boxes:

Type of Review									
CIP		Grant		Other	X	Revenue		Project	

Fiscal Information:

New Contract (Y/N)	Y	Original Amount	NA
Fund(s)	0001	Amount of Change (+/-)	NA
Cost Center(s)	NA	Total Amount	NA
Program(s)	NA	Amount Available	Total: \$NA
Account(s)	NA	Included in Applicable Budget? (Y/N)	This is a pass/through that will not negatively impact the County's Budget
Fiscal Year(s)	FY24		

Description & Comments

(What is it, any issues found, is there a financial impact to current/next FY, does this contract vary from previous FY, etc.)

Human Services is requesting a public hearing and adopt the proposed ordinance enabling the County to impose and collect an annual non-ad valorem special assessment levied solely on property owned or leased by non-public hospitals to fund the Hospital Directed Payment Program (DPP) as match to improve Medicaid reimbursement levels.

- This ordinance establishes procedures for Pinellas County Hospitals to participate in the Hospital Directed Payment program to help reduce local Medicaid reimbursement gaps.
- In order to participate, the County must adopt an ordinance to authorize a non-ad valorem special assessment on non-public hospitals to create a Local Provider Participation Fund (LPPF) for use as local match to draw down Medicaid reimbursements and all non-public hospital must participate in the County.
- In alignment with the ordinance, the County would authorize the assessment by adopting an annual resolution to set the uniform assessment levels within the county based upon the actual Medicaid utilization reported by the State. The 2023 resolution would be presented for consideration at the May 7, 2024 Board of County Commissioners meeting.
- Pinellas County would need to collect the funds from participating hospitals with payments stored in the LPPF. The County would enter into Letters of Agreement with the State Agency for Healthcare Administration (AHCA) to send as an Intergovernmental Transfers (IGTs). The IGTs would be coordinated with the federal Medicaid drawdown to improve reimbursement levels.
- Historically, hospitals receive approximately 61% of their Medicaid costs with Pinellas hospitals estimating close to \$200 million in unreimbursed costs. Closing the reimbursement gap will help to support hospital operations as they continue to maintain service levels for vulnerable citizens and work to attract top talent.
- The funds collected from the special assessment will be neither a financial benefit nor a financial detriment to Pinellas County. The County will pass them through to the State of Florida AHCA. Administrative costs of \$150,000.00 will be derived from the assessment to allow County staff to support the assessment and IGT processes. Appropriate amendments will be proposed based on the potential adoption of this ordinance and any future assessment resolutions.
- The State of Florida has waived their 2023 participation deadline which prevented hospitals from proceeding in October 2023. This provides a brief window to allow for participation by June 1, 2023. Participation in the 2024 program would again be due by October 1, 2024.
- Letters of support have been provided representing fifteen of the sixteen Pinellas hospitals with one abstaining by national policy. No objections have been expressed.
- This ordinance will establish program procedures that can enhance the Medicaid reimbursements for local non-public hospitals valued at close to \$100 million. Pinellas County will receive up to \$150,000.00 in administrative costs for support efforts.

Fiscal Impact:

This ordinance will establish program procedures that can enhance the Medicaid reimbursements for local non-public hospitals valued at close to \$100 million. Pinellas County will receive up to \$150,000.00 in administrative costs for support efforts.

Analyst: Toni Merrill

Ok to Sign: ☒
