

**RESOLUTION NO. #2024-**

**AN ASSESSMENT RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PINELLAS COUNTY, FLORIDA, AUTHORIZING AND ADOPTING NON-AD VALOREM SPECIAL ASSESSMENTS WITHIN THE COUNTY LIMITS FOR THE PURPOSE OF BENEFITING ASSESSED PROPERTIES THROUGH SUPPLEMENTAL PAYMENT PROGRAMS FOR LOCAL SERVICES; FINDING AND DETERMINING THAT CERTAIN REAL PROPERTY IS SPECIALLY BENEFITED BY THE ASSESSMENT; COLLECTING THE ASSESSMENTS AGAINST THE REAL PROPERTY; ESTABLISHING A PUBLIC HEARING TO CONSIDER IMPOSITION OF THE PROPOSED ASSESSMENTS AND THE METHOD OF COLLECTION; AUTHORIZING AND DIRECTING THE PUBLICATION OF NOTICES IN CONNECTION THEREWITH; PROVIDING FOR CERTAIN OTHER AUTHORIZATIONS AND DELEGATIONS OF AUTHORITY AS NECESSARY; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, hospitals in Pinellas County’s jurisdiction (the “Hospitals”) annually provide millions of dollars of uncompensated care to uninsured persons and those who qualify for Medicaid because Medicaid, on average, covers only 60% of the costs of the health care services actually provided by Hospitals to Medicaid-eligible persons, leaving hospitals with significant uncompensated costs; and

**WHEREAS**, hospitals across the State of Florida devote close to \$3 billion in services for indigent, uninsured Floridians whose cases do not qualify for Medicaid Reimbursement; and

**WHEREAS**, the State of Florida (the “State”) received federal authority to establish supplemental payment programs to offset hospitals’ uncompensated Medicaid costs and charity care costs and improve quality of care provided to Florida’s Medicaid, indigent, and uninsured populations; and

**WHEREAS**, the Hospital Directed Payment Program for enhanced Medicaid reimbursements and the Low Income Pool Program for enhanced reimbursements for charity care costs are available for the July 1, 2024 through June 30, 2025 fiscal year and local hospitals have requested the adoption of this resolution to permit intergovernmental transfers that enable their participation; and

**WHEREAS**, the State authorizes each program each year in the General Appropriations Act and further explains the Low Income Pool in § 409.908, Fla. Stat.; and

**WHEREAS**, Hospitals have asked Pinellas County (the “County”) to impose non-ad valorem special assessments upon certain real property interests held by the Hospitals to help finance the non-federal share of the supplemental payment programs; and

**WHEREAS**, the only real properties interests that will be subject to the non-ad valorem assessments authorized herein are those on which the Hospitals operate; and

**WHEREAS**, the County recognizes that one or more of the Hospitals within the County's boundaries may be located upon real property leased from governmental entities and that such Hospitals may be assessed because courts do not make distinctions on the application of special assessments based on "property interests" but rather on the distinction of the classifications of real property being assessed; and

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

**WHEREAS**, the County acknowledges that the Hospital properties assessed will benefit directly and especially from the assessments 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, which will be supported by the assessments, 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 supplemental 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 assessments 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 assessments ensure 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 assessments will enhance the Hospitals' ability to grow, expand, maintain, improve, and increase the value of their Pinellas County properties and facilities under all present circumstances and those of the foreseeable future; and

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

**WHEREAS**, on April 23, 2024, the Board of County Commissioners adopted Ordinance 24-16 establishing the Pinellas County Local Provider Participation Fund, enabling the County to levy uniform non-ad valorem special assessments, 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 supplemental payment programs, thus directly and specially benefitting Hospital properties.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PINELLAS 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.

*Assessments* means non-ad valorem special assessments imposed by the County on Assessed Property to fund the non-federal share of supplemental payment programs that will benefit hospitals providing Local Services in the County.

*Assessment Coordinator* means the person appointed to administer the Assessments imposed pursuant to this Article, or such person's designee.

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

*Comptroller* means the Pinellas 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 Pinellas 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 Pinellas County community.

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

*Ordinance* means the Pinellas County Local Provider Participation Fund Ordinance 24-16 codified in Chapter 110, Article III of Pinellas County Code of Ordinances.

*Tax Collector* means the Pinellas County Tax Collector.

**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 Pinellas County Local Provider Participation Fund Ordinance, the Board is hereby authorized to impose special assessments against private for-profit and not-for-profit hospitals located within the County to fund the non-federal share of supplemental payment programs associated with Local Services.

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

When imposed, the Assessments 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, to commence.

**Section 4. Assessment Scope, Basis, and Use.** Funds generated from the Assessments shall be used only to:

1. Provide to the Florida Agency for Health Care Administration the non-federal share for supplemental payment programs, including the Medicaid hospital directed payment program and the Low Income Pool program, to be made directly or indirectly in support of hospitals service Medicaid beneficiaries, the indigent, and uninsured citizens; and
2. Reimburse the County for administrative costs associated with the implementation of the Assessment in the amount of \$150,000.00, as authorized by the Ordinance.

Any balance remaining in the Local Provider Participation Fund after intergovernmental transfers for these programs will carry forward to support supplemental payment programs authorized in this Resolution and consistent with the Ordinance.

Alternatively, if additional amounts remain in the local provider participation fund at the end of the Fiscal Year, the Board is hereby authorized, at the request of Hospitals, 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.

If, after the Assessments funds are transferred to the Agency, the 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 is hereby authorized to refund to Assessed Properties, in proportion to amounts paid in during the Fiscal Year, the amount of such returned funds.

**Section 5. Computation of Assessment.** The Assessments shall equal 8.68% of inpatient net patient revenue without Medicare and 5.70% of outpatient net patient revenue without Medicare for each Assessed Property. Based on currently received projections, an example Non-Ad Valorem Assessment Roll is specified in Appendix A (APPENDIX A). These rates support supplemental payment programs authorized in the state budget for July 1, 2024 through June 30, 2025.

The amount of the Assessments 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 state 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 6. Timing and Method of Collection.** The amount of the assessments is to be collected pursuant to the Alternative Method outlined in §197.3631, Fla. Stat.

The County shall provide Assessments bills by first class mail to the owner of each affected Hospital. The bill or accompanying explanatory material shall include: (1) a reference to this Resolution, (2) the total amount of the hospital's Assessments for the appropriate period, (3) the location at which payment will be accepted, (4) the date on which the Assessments are due, and (5) a statement that the Assessments constitute 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 Comptroller, Property Appraiser, Tax Collector, Assessment Coordinator, Board, or their deputies or employees shall operate to release or discharge any obligation for payment of the Assessments imposed by the Board under the Ordinance and this resolution.

**Section 7. Public Hearing.** Per the notice provided on of before April 17, 2024, the Board has heard and considered objections of all interested persons prior to rendering a decision on the Assessments and attached Non-Ad Valorem Assessment Roll.

**Section 8. Responsibility for Enforcement.** The County and its agent, if any, shall maintain the duty to enforce the prompt collection of the Assessments 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 9. 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 10. Effective Date.** This Resolution to be effective immediately upon adoption.

Commissioner \_\_\_\_\_ offered the foregoing resolution and moved its adoption, which was seconded by Commissioner \_\_\_\_\_ and upon roll call the vote was:

AYES:

NAYES:

ABSENT AND NOT VOTING:

**APPROVED AS TO FORM**

By: Cody J. Ward  
Office of the County Attorney

# APPENDIX A

## NON-AD VALOREM ASSESSMENT ROLL FOR FISCAL YEAR 2024-2025

Pinellas DPP Program Year 4 (10/1/23-9/30/2024) and LIP SFY 24-25 (7/1/24-6/30/25) Funding Summary

Hospital Name	City	County	2022 Inpatient Net Patient Revenue without Medicare <sup>1</sup>	FY2025 Assessment of IP NPR <sup>2</sup>	2022 Outpatient Net Patient Revenue without Medicare <sup>1</sup>	FY2025 Assessment of OP NPR <sup>2</sup>	Total FY2025 Special Assessment <sup>3</sup>
				8.68%		5.70%	
AdventHealth North Pinellas	Tarpon Springs	Pinellas	\$ 33,026,769	\$ 2,866,724	\$ 48,236,734	\$ 2,749,494	\$ 5,616,218
Baycare Alliant Hosp	Dunedin	Pinellas	7,388,114	641,288	-	-	\$ 641,288
Mease Countryside Hosp	Dunedin	Pinellas	121,076,925	10,509,477	113,690,505	6,480,359	\$ 16,989,836
Mease Dunedin Hosp	Safety Harbor	Pinellas	25,773,275	2,237,120	31,012,860	1,767,733	\$ 4,004,853
Morton Plant Hosp	Clearwater	Pinellas	207,658,872	18,024,790	187,848,433	10,707,361	\$ 28,732,151
St Anthony's Hosp	St. Petersburg	Pinellas	105,143,734	9,126,476	123,512,088	7,040,189	\$ 16,166,665
Encompass Rehab Hosp of Largo	Largo	Pinellas	4,846,899	420,711	-	-	\$ 420,711
Largo Med Ctr	Largo	Pinellas	121,636,578	10,558,055	53,465,788	3,047,550	\$ 13,605,605
Northside Hosp	St Petersburg	Pinellas	46,798,744	4,062,131	25,033,610	1,426,916	\$ 5,489,047
Palms of Pasadena Hosp	St Petersburg	Pinellas	17,937,649	1,556,988	24,961,508	1,422,806	\$ 2,979,794
St. Petersburg Gen Hosp	Saint Petersburg	Pinellas	23,101,415	2,005,203	37,595,653	2,142,952	\$ 4,148,155
All Children's Hosp	St Petersburg	Pinellas	322,499,761	27,992,979	174,370,722	9,939,131	\$ 37,932,110
Kindred Hosp - Bay Area - St Petersburg	St Petersburg	Pinellas	9,608,754	834,040	264,052	15,051	\$ 849,091
Bayfront Health - St Petersburg	St Petersburg	Pinellas	94,426,079	8,196,184	73,821,529	4,207,827	\$ 12,404,011
Windmoor Healthcare of Clearwater	Clearwater	Pinellas	12,274,229	1,065,403	1,233,037	70,283	\$ 1,135,686
<b>Total</b>			\$ 1,153,197,797	\$ 100,097,569	\$ 895,046,519	\$ 51,017,652	\$ 151,115,221

**Footnotes:**

1 - Special assessment basis amounts taken from the 2022 Florida Hospital Uniform Reporting System (FHURS). Amounts exclude any Medicare revenue.

2 - Assessment is calculated by taking the basis in the preceding column multiplied by the assessment % shown in gray. This amount represents the uniform assessment percentage to be applied to all hospital in Pinellas County. For FY2025, the assessment has been divided into two parts: one assessment of inpatient net patient revenue (excluding Medicare), and one assessment of outpatient net patient revenue (excluding Medicare).

3 - For FY2025 the total assessment represents the combination of the assessment on inpatient net patient revenues and the assessment on outpatient net patient revenues.