



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Public Hearing

H.5.

9/13/2022

Subject:

Approval of a Rate Resolution to Impose Non-Ad Valorem Special Assessment for the State's Medicaid Managed Care for Direct Payment Program for Local Hospitals

Fiscal Impact:

The non-ad valorem special assessments (Assessments) will be imposed, levied, collected and enforced solely on private for profit and non-profit local hospitals holding a right of possession and right of use to real property through ownership or lease hold interest in Brevard County. The County's administrative costs associated with the implementation, collection, and enforcement of the Assessment will be funded by the private for-profit and non-profit hospitals through the Assessment program.

Dept/Office:

Budget Office

Requested Action:

It is requested that the Board of County Commissioners adopt a Rate Resolution that will impose non-ad valorem special assessments against private for-profit and non-profit local hospitals holding a right of possession and right of use to real property in Brevard County for the State's Medicaid Managed Care for Direct Payment Program. Authorize the Chair to sign the Resolution and authorize the County Manager to execute any necessary budget change requests to implement the non-ad valorem special assessment program for the Medicaid Managed Care for Direct Payment Program for local hospitals and execute the Letter of Agreement with the State of Florida authorizing the County's participation in this program.

Summary Explanation and Background:

Representatives from the private for-profit and non-profit local hospitals (Local Hospitals) have requested the County consider the imposition of a non-ad valorem special assessment (Assessment) against real property owned by their Local Hospitals.

The Board on May 18, 2021 adopted Ordinance 21-14 establishing a non-ad valorem assessment program which Assessments will be used to benefit the assessed properties for local services provided by the private for-profit and non-profit hospitals in Brevard County. The Medicaid Managed Care Hospital Direct Payment program is a federally approved program that permits the State of Florida to access federal funds through Intergovernmental Transfer in order to direct the federal funds for managed care plan expenditures to




hospitals for plan-covered services and offset the hospitals' Medicaid shortfall.

The Ordinance provides the method of assessing these properties using the non-ad valorem special assessment as specified in Section 197.3631, Florida Statutes. The Assessment shall be assessed on an annual basis by a Rate Resolution adopted by the Board. The noticing requirements of the Ordinance were met and all property owners were mailed notices of the Assessment on August 19, 2022 and advertised on August 24, 2022.

Attached is the Non-Ad Valorem Assessment Roll (Exhibit A) that will be imposed against the real property owned by private for-profit and non-profit local hospitals in Brevard County. The Assessments will be mailed to the real property owners on September 13, 2022 and become due on November 30, 2022.

Clerk to the Board Instructions:

Please provide copies of the executed Rate Resolution to the County Manager's Office, County Attorney's Office and the County's Budget Office.





September 14, 2022

M E M O R A N D U M

TO: Jill Hayes, Budget Office Director

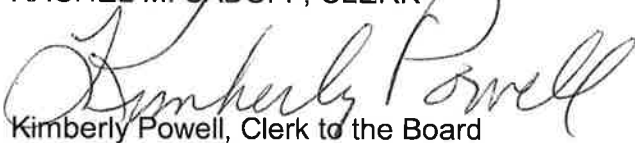
RE: Item H.5., Approval of a Rate Resolution to Impose Non-Ad Valorem Special Assessment for the State's Medicaid Managed Care for Direct Payment Program for Local Hospitals

The Board of County Commissioners, in regular session on September 13, 2022, executed and adopted Resolution No. 22-110, that will impose Non-Ad Valorem Special Assessments against private for-profit and non-profit local hospitals holding a right of possession and right of use to real property in Brevard County for the State's Medicaid Managed Care for Direct Payment Program; authorized the County Manager to execute any necessary Budget Change Requests to implement the Non-Ad Valorem Special Assessment Program for the Medicaid Managed Care for Direct Payment Program for local hospitals; and authorized the County Manager to execute the Letter of Agreement with the State of Florida authorizing the County's participation in this program. Enclosed is a fully-executed Letter of Agreement.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK


Kimberly Powell, Clerk to the Board

/pp

Encl. (1)

cc: County Manager
County Attorney
Finance

RESOLUTION NO. 22- 110

AN ASSESSMENT RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA, AUTHORIZING AND ADOPTING A NON-AD VALOREM SPECIAL ASSESSMENT WITHIN THE COUNTY LIMITS FOR THE PURPOSE OF BENEFITING ASSESSED PROPERTIES THROUGH ENHANCED MEDICAID PAYMENTS FOR LOCAL SERVICES; FINDING AND DETERMINING THAT CERTAIN REAL PROPERTY IS SPECIALLY BENEFITED BY THE ASSESSMENT; COLLECTING THE ASSESSMENT AGAINST THE REAL PROPERTY; ESTABLISHING A PUBLIC HEARING TO CONSIDER IMPOSITION OF THE PROPOSED ASSESSMENT AND THE METHOD OF ITS 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, the private for profit or not for profit hospitals in Brevard 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, 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 Brevard County Board of County Commissioners (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 assessments authorized herein are those belonging to the Hospitals; 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 leasehold interests in properties may be assessed; 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 Hospitals; and

WHEREAS, the County acknowledges that the Hospital properties assessed will benefit directly and especially 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, which will be 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 Brevard 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, on May 18, 2021, the Board of County Commissioners adopted Ordinance 2021-14, enabling the County to levy a non-ad valorem special assessment, with a uniform rate, 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; and

WHEREAS, pursuant to Section 102-264 of the Brevard County Code of Ordinances, the County will execute an agreement with the State of Florida in order to collect assessment.

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

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

Board means the Board of County Commissioners of Brevard County, Florida.

Comptroller means the Brevard 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 Brevard 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 Brevard County community.

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

Ordinance means the Brevard County Local Provider Participation Fund Ordinance codified in Division IV, Article IV of the Brevard 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 Brevard Local Provider Participation Fund Ordinance, the County 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 directed 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, which could result in loss of title, to commence.

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

1. Provide to the Florida Agency for Health Care Administration 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
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 County is hereby authorized either (a) 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, 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 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 County is hereby authorized to refund to Assessed Properties, in proportion to amounts paid in during the Fiscal Year, the amount of such returned funds.

In the event there are not sufficient funds in the Local Provider Participation Fund to make the required transfer for the non-federal share for the Medicaid hospital payment as required by the Florida Agency for Health Care Administration's formal invoice, the transfer will not be made and the County may return all funds to the Assessed entities.

Section 5. Computation of Assessment. The Assessment shall equal 0.91% of net patient revenue for each Assessed Property specified in the attached Non-Ad Valorem Assessment Roll attached hereto and incorporated herein 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 cost reports and/or 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 assessment is to be collected pursuant to the Alternative Method outlined in §197.3631, Fla. Stat.

The County shall provide Assessment invoices by first class mail to the owner of each affected Hospital. The invoice or accompanying explanatory material shall include: (1) a reference to this Resolution, (2) the total amount of the hospital's Assessment 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 assessed property 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, 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. Public Hearing. Per the notice provided on August 19, 2022 and published on August 24, 2022, the Board has heard and considered objections of all interested persons prior to rendering a decision on the Assessment and attached Non-Ad Valorem Assessment Roll.

Section 8. Responsibility for Enforcement. The County and its agents, if any, may 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 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. This Resolution is duly adopted this 13th day of September, 2022.

DONE, ORDERED AND ADOPTED, in Regular Session, this 13 day of Sept., 2022.

ATTEST:
BREVARD COUNTY, FLORIDA


Rachel Sadoff, Clerk
(SEAL)

BOARD OF COUNTY COMMISSIONERS


Kristine Zonka, Chair

As approved by the Board on 9/13/2022

Reviewed for legal form and content:


County Attorney

Exhibit A

EXHIBIT A
NON-AD VALOREM SPECIAL ASSESSMENT ROLL
MEDICAID MANAGED CARE FOR DIRECT PAYMENT FOR LOCAL HOSPITALS

MCD ID #	Organization	Facility	Hospital Address	Rate	Mandatory Payment
12042100	Encompass Health	Sea Pines Rehabilitation Hospital	101 E Florida Ave, Melbourne, FL 32901	0.91% NPR	\$ 256,020
10009900	Health First	Cape Canaveral Hospital	701 W Cocoa Beach Causeway, Cocoa Beach, FL 32931	0.91% NPR	\$ 1,206,411
10008100	Health First	Holmes Regional Medical Center	1350 Hickory St, Melbourne, FL 32901	0.91% NPR	\$ 4,603,800
3297500	Health First	Palm Bay Hospital	1425 Malabar Rd, Palm Bay, FL 32907	0.91% NPR	\$ 912,424
3158800	Health First	Viera Hospital	8745 N Wickham Rd, Melbourne, FL 32940	0.91% NPR	\$ 1,131,845
16552300	Independent	Circles of Care	400 E Sheridan Rd, Melbourne, FL 32901	0.91% NPR	\$ 198,312
1681500	Kindred Healthcare	Kindred Hospital Melbourne	765 W NASA Blvd, Melbourne, FL 32901	0.91% NPR	\$ 232,479
10320900	Steward Health Care System	Melbourne Regional Medical Center	250 N Wickham Rd, Melbourne, FL 32935	0.91% NPR	\$ 729,593
10011100	Steward Health Care System	Rockledge Regional Medical Center	110 Longwood Ave, Rockledge, FL 32955	0.91% NPR	\$ 1,361,544
101334000	UHS	Palm Point Behavioral Health	2355 Truman Scarborough Way, Titusville, FL 32796	0.91% NPR	\$ 46,209

County Phone Number: (321) 633-2153

Brevard County Government Center, located at 2725 Judge Fran Jamieson Way, Viera, Bldg. C

Resolution Date: September 13, 2022, at 9 a.m.

Ordinance Date: May 16, 2021

Payments Due By: November 30, 2022

\$ 10,678,637

A Daily Publication By:



RECEIVED

AUG 31 2022

County Manager's
Office

B.O.C.C. COUNTY MANAGER'S OFF
2725 JUDGE FRAN JAMIESON WAY
BLDG C
MELBOURNE, FL, 32940

STATE OF WISCONSIN COUNTY OF BROWN:
Before the undersigned authority personally appeared said
legal clerk, who on oath says that he or she is a Legal
Advertising Representative of the **FLORIDA TODAY**, a daily
newspaper published in Brevard County, Florida that the
attached copy of advertisement, being a Legal Ad in the
matter of

Notice Public Hearing

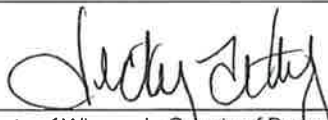
as published in **FLORIDA TODAY** in the issue(s) dated:
or by publication on the newspaper's website, if authorized,
on

08/24/2022

Affiant further says that the said **FLORIDA TODAY** is a
newspaper in said Brevard County, Florida and that the
said newspaper has heretofore been continuously
published in said Brevard County, Florida each day and has
been entered as periodicals matter at the post office in
MELBOURNE in said Brevard County, Florida, for a period of
one year next preceding the first publication of the attached
copy of advertisement; and affiant further says that he or
she has never paid nor promised any person, firm or
corporation any discount, rebate, commission or refund for
the purpose of securing this advertisement for publication
in the said newspaper.

Sworn to and Subscribed before me this 24th of August
2022, by legal clerk who is personally known to me

Affiant


Notary State of Wisconsin County of Brown
979.25

My commission expires
Publication Cost: \$536.64
Ad No: 0005383975
Customer No: BRE-6BR446
This is not an invoice
of Affidavits 1

VICKY FELTY
Notary Public
State of Wisconsin

A49383975 08/25/2022
**NOTICE OF PUBLIC HEARING TO
 CONSIDER THE IMPOSITION AND
 COLLECTION OF A NON-AD
 VALOREM SPECIAL
 ASSESSMENT**

Notice is hereby given that the Board of County Commissioners of Brevard County, Florida, will conduct a public hearing pursuant to Ordinance No. 21-14 to consider the approval of the imposition and collection of a non-ad valorem special assessment against each private for-profit and not-for-profit hospital that provides inpatient hospital services and that holds a right of possession and right of use to real property in Brevard County, Florida (each, an "Assessed Property"). The list of affected hospitals is included at the conclusion of this notice. The assessment is intended to finance intergovernmental transfers provided consistent with federal guidelines to fund the non-federal share of certain Medicaid and/or Medicaid managed care payments. As a result, the assessment directly and specially benefits Assessed Properties and supports the provision of health care services to Medicaid, indigent, and uninsured members of the County's community.

The public hearing will be held at Vero Government Building, located at 2725 Judge Fran Jamieson Way, Vero, Bldg. C, 1st Floor, on September 13, 2022, at 9 a.m., or as soon thereafter as the matter can be heard. At that time, the Board will receive public comment on the proposed special assessment.

The County has prepared the Non-Ad Valorem Assessment Roll being considered for approval based on information provided by the hospitals. The roll contains the names of the hospitals; the tax parcel identification numbers of the parcel(s); the section, township, and range of the parcel(s) assessed; the parcel owner's name; the address and the names and addresses of any leaseholders of the Assessed Properties; the assessment rate; and the amount of the special assessment to be imposed against each Assessed Property. The Non-Ad Valorem Assessment Roll will be available for inspection at the Brevard County Budget Office during regular business hours from Monday, August 29, 2022, until the hearing concludes on Tuesday, September 13, 2022. The assessment rate set forth in the Non-Ad Valorem Assessment Roll to be levied against the net patient revenue of each Assessed Property is 0.91%.

At the date and time set forth in this notice, the Board of County Commissioners may: (1) approve the Non-Ad Valorem Assessment Roll, with such amendments as it deems just and right and (2) adopt a resolution (the "Assessment Resolution") that describes (a) the Medicaid payments proposed for funding from proceeds of the assessment, (b) the benefits to the Assessed Properties, (c) the methodology for computing the assessed amounts, and (d) the method of collection, including how and when the assessment is to be paid.

All interested persons have a right to appear at the public hearing and to file written objections with the Board prior to the resolution vote. All written objections to the Non-Ad Valorem Assessment being considered for approval shall be filed with the County by September 12, 2022. Written objections should be sent to the attention of the Brevard County Budget Office at 2725 Judge Fran Jamieson Way, Building C Vero, FL 32940.

The amount of the assessment is to be collected pursuant to an additional and alternative method, as specified in § 197.363, Fla. Stat., for the assessment and collection of a non-ad valorem special assessment. Details will be included in the Assessment Resolution.

If you are a person with disability who needs any accommodation to participate in this proceeding, you are entitled, at no cost to you, to the provision of certain assistance. Please contact Cathy Lively at (321) 633-2010 or Cathy.Lively@brevardfl.gov at least three days prior to the public hearing if you need special accommodations.

Pursuant to § 286.0105, Fla. Stat., if a person desires to appeal any decision of the Board of County Commissioners on any matter considered at the public hearing, he or she will need a record of the proceedings. For such purpose, a person appealing the decision may need to ensure the creation of a verbatim record, which captures the testimony and evidence upon which the appeal is based.

Brevard County, FLORIDA

List of Affected Properties:

The special assessment is to be levied against the real property or leasehold interest of each private for-profit and not-for-profit hospital operating under a Florida hospital license affiliated with the following providers of inpatient hospital services that holds a right of possession and right of use to real property in Brevard County, Florida and is listed below:

Cape Canaveral Hospital
 201 W. Cocoa Beach Causeway
 Cocoa Beach, FL 32931
 Parcel ID: 24-37-34-00-1

Circles of Care
 400 E. Sheridan Rd.
 Melbourne, FL 32901
 Parcel ID: 22-17-14-00-100

Sea Pines Rehabilitation Hospital
101 E. Florida Ave
Melbourne, FL 32901
Parcel ID: 28-37-15-00-253

Holmes Regional Medical Center
1350 Hickory St
Melbourne, FL 32901
Parcel ID: 27-37-34-51-392

Kindred Hospital Melbourne
765 W NASA Blvd
Melbourne, FL 32901
Parcel ID: 27-37-33-00-252

Melbourne Regional Medical Center
290 N. Wickham Rd
Melbourne, FL 32935
Parcel ID: 27-36-25-00-43

Viera Hospital
8748 N. Wickham Rd
Melbourne, FL 32940
Parcel ID: 26-36-16-02-A-1

Palm Bay Hospital
1425 N. US Hwy 1
Palm Bay, FL 32909
Parcel ID: 28-37-34-00-754

Rockledge Regional Medical Center
110 Longwood Ave
Rockledge, FL 32955
Parcel ID: 25-36-04-78-1

Palm Point Behavioral Health
2315 Truman Scarborough Way
Titusville, FL 32796
Parcel ID: 21-35-28-00-258