



Broward County

Legislation Text

File #: 22-707, Version: 1

Broward County Commission Regular Meeting

Director's Name: Andrew J. Meyers

Department: County Attorney

Information

Requested Action

MOTION TO ENACT Ordinance, the title of which is as follows:

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF BROWARD COUNTY, FLORIDA, PERTAINING TO THE STATEWIDE MEDICAID MANAGED CARE HOSPITAL DIRECTED PAYMENT PROGRAM; CREATING ARTICLE V OF CHAPTER 16 OF THE BROWARD COUNTY CODE OF ORDINANCES ("CODE"); PROVIDING FOR THE IMPOSITION, LEVY, COLLECTION, AND ENFORCEMENT OF A NON-AD VALOREM SPECIAL ASSESSMENT TO FUND THE NON-FEDERAL SHARE OF MEDICAID AND MEDICAID MANAGED CARE PAYMENTS TO BENEFIT EXISTING AND NEWLY LICENSED HOSPITAL PROPERTIES; AND PROVIDING FOR SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE.

(Sponsored by Mayor Michael Udine)

Why Action is Necessary

A Resolution directing the County Administrator to publish notice of public hearing to consider enactment of the proposed Ordinance was adopted by the Board of County Commissioners at its meeting of April 26, 2022.

What Action Accomplishes

Allows for the Board's consideration of the proposed Ordinance.

Is this Action Goal Related

No

Previous Action Taken

Summary Explanation/Background

The State of Florida ("State") received federal authority to establish the Statewide Medicaid Managed Care hospital directed payment program ("DPP") to address the gap between the actual cost of health care services and the amount paid by Medicaid and to improve the quality of care provided to individuals who receive Medicaid. The DPP allows local governments to impose a special non-ad valorem assessment against local private hospital properties. The revenue from the assessment is first placed into a Local Provider Participation Fund. The County sends the revenue from that fund, less an amount retained by the County for administrative expenses, to the State's Agency for Health

Care Administration, which then transfers the funds, along with the matching federal funds, to a Managed Care Organization ("MCO"). The MCO then sends each hospital that was charged the assessment a lump-sum payment equal to the amount of the assessment paid by the hospital plus the matching federal funds that were provided, less the amount retained by the County for administrative expenses.

On February 22, 2022, the Board directed the Office of the County Attorney to draft the proposed Ordinance. The proposed Ordinance would authorize Broward County to impose a special non-ad valorem assessment on local private hospital properties for the purpose of providing such local hospitals with supplemental Medicaid reimbursement ("Special Assessment"). The Special Assessment would not be automatically imposed. Rather, the Board would adopt a resolution imposing the Special Assessment in each fiscal year after receipt of a petition signed by at least seventy-five percent (75%) of the affected local hospitals. Once imposed, all private hospitals operating in Broward County will be required to pay the Special Assessment, and all such hospitals would receive the financial benefit outlined above.

Source of Additional Information

Annika E. Ashton, Deputy County Attorney, 954-357-7600

Fiscal Impact

Fiscal Impact/Cost Summary

Fiscal Impact Statement by the Office of Management and Budget is attached as Exhibit 2.