

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS**

**AGENDA ITEM SUMMARY**

Meeting Date: September 17, 2024                       Consent      [ ] Regular  
    Ordinance      [ ] Public Hearing

Department: County Administration

**I. EXECUTIVE BRIEF**

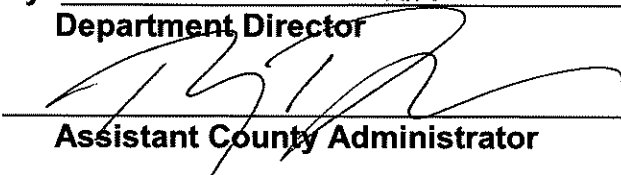
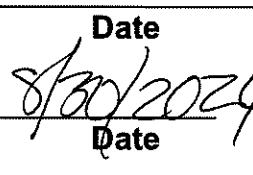
**Motion and Title:** Staff seeks motion to:

- A) adopt:** a resolution of the Board of County Commissioners (BCC) of Palm Beach County, Florida, establishing Non-ad valorem Special Assessments pursuant to the Palm Beach County Local Provider Participation Fund (LPPF) Ordinance for the purpose of benefitting assessed hospital properties through enhanced Medicaid payments for local services; and
  
- B) approve:** a Third Amendment to an Interlocal Agreement entered into on September 14, 2021, between the County and the Health Care District of Palm Beach County, (the District), for the provision of administrative services to coordinate with the Florida Agency for Health Care Administration (AHCA) the special assessment authorized by the LPPF Ordinance.

**Summary:** on August 26, 2021, the BCC adopted Ordinance 2021-024, establishing the LPPF Ordinance. The LPPF Ordinance required the thirteen private hospitals located in Palm Beach County, located in AHCA’s Region 9, to pay a uniform, non-ad valorem special assessment, set annually by resolution of the BCC. Funds collected through the LPPF assessment are sent by the District to AHCA through intergovernmental transfers, (IGTs), consistent with federal guidelines, as the non-federal share of increased Medicaid managed care payments facilitated under a hospital directed payment program (DPP), that was first approved for the State of Florida in 2021 and annually reapproved. Through the DPP, AHCA uses the IGTs to draw additional federal Medicaid dollars, and transfers those additional dollars to Medicaid Managed Care Organizations (MCOs) in order to fund increased payments by MCOs to the local hospitals to provide services to Medicaid patients. This year, the Assessment shall equal 2.24% of net patient revenue for each Assessed Property specified in the attached Non-Ad Valorem Assessment Roll. Staff recommends adoption of the resolution of the BCC establishing Non-Ad Valorem special Assessments pursuant to the LPPF Ordinance. Staff also recommends approval of the Third Amendment to the Interlocal Agreement with the District, which exercises a third one-year renewal option so that the LPPF Assessments will continue to be coordinated and administered by the District. Pursuant to the Resolution, the District is compensated in an amount not-to-exceed \$300,000, per the administration fee provision of the LPPF Ordinance. **No County funds are required.** Countywide (HH)

**Background and Justification: Continued on page 3**

- Attachments:**
1. Resolution Establishing Non-Ad Valorem Special Assessments
  2. Third Amendment to Interlocal Agreement Relating to Administration of the LPPF Ordinance
  3. Hospital Community Initiatives and Programs, 2023-24

<b>Recommended by:</b>	N/A	
	<b>Department Director</b>	<b>Date</b>
<b>Approved By:</b>		
	<b>Assistant County Administrator</b>	<b>Date</b>

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2024	2025	2026	2027	2028
Capital Expenditures					
Operating Costs					
External Revenues	(150,000)				
Program Income(County)					
In-Kind Match(County)					
NET FISCAL IMPACT	*(150,000)				
#ADDITIONAL FTE POSITIONS (CUMULATIVE)					

Is Item Included in Current Budget? Yes X No       
 Does this item include the use of federal funds? Yes      No X  
 Does this item include the use of State funds? Yes      No X

**Budget Account No:**

Fund	Dept	Unit	RevSc
0001	743	6001	6999

**B. Recommended Sources of Funds/Summary of Fiscal Impact:**

\* \$150,000 Administrative fee is received by the county

**C. Departmental Fiscal Review:**

**III. REVIEW COMMENTS:**

**A. OFMB Fiscal and/or Contract Dev. and Control Comments:**

*Lisa Mautz* 8/21/24  
 OFMB AAF 8/21

*Brenda Mack* 8/26/24  
 Contract Dev. & Control  
 8/23/24

**B. Legal Sufficiency**

*Helene Coffey* 8-28-24  
 Assistant County Attorney

**C. Other Department Review**

\_\_\_\_\_  
 Department Director

**Background and Justification** Hospitals in Palm Beach County annually provide millions of dollars of uncompensated care to persons who qualify for Medicaid. The hospitals report that, on average, Medicaid typically only covers 60% of the costs of the health care services actually provided by hospitals to Medicaid-eligible persons, leaving hospitals with significant uncompensated costs. The Centers for Medicare & Medicaid Services (CMS) Medicaid managed care regulations at 42 C.F.R Part 438 govern how states may direct plan expenditures in connection with implementing delivery system and provider payment initiatives under Medicaid managed care contracts. In November of 2017, CMS published guidance for states to obtain approval of state directed payments under 42. C.F.R. § 438.6(c). Overall, CMS has reviewed and approved more than 450 state directed payment arrangements. The State of Florida first received CMS approval of its proposal for its hospital Medicaid-shortfall directed payment arrangement on April 26, 2021. The non-federal share of the program will be obtained, in part, through the proposed non-ad valorem assessments to be levied on each participating hospital in Palm Beach County, as described in the Ordinance.

## 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 (R2021-024, 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, Palm Beach County Code Sec. 2-43.

*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 2.24% of net patient revenue for each Assessed Property as specified in the attached 2024-2025 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 a refund to Assessed Properties, in proportion to amounts paid in during the Fiscal Year, of 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 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 annual 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 in administering the LPPF Ordinance.

**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.

*Remainder of Page Left Blank Intentionally*

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:

Commissioner Maria Sachs, Mayor	-	_____
Commissioner Maria G. Marino, Vice Mayor	-	_____
Commissioner Gregg K. Weiss	-	_____
Commissioner Michael A. Barnett	-	_____
Commissioner Marci Woodward	-	_____
Commissioner Sara Baxter	-	_____
Commissioner Mack Bernard	-	_____

The Mayor thereupon declared the Resolution duly passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

ATTEST:  
CLERK OF CIRCUIT COURT  
AND COMPTROLLER  
Joseph Abruzzo

PALM BEACH COUNTY, Florida  
By its Board of County Commissioners

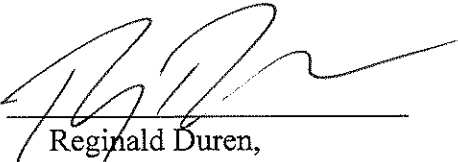
By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_  
Maria Sachs, Mayor

Approved as to Form and Legal Sufficiency:

Approved as to Content:

By:   
Assistant County Attorney

By:   
Reginald Duren,  
Assistant County Administrator

**ATTACHMENT  
SPECIAL ASSESSMENT ROLL**

**ATTACHMENT  
SPECIAL ASSESSMENT ROLL**



Number	OWNER NAME	FACILITY DESCRIPTION	FACILITY ADDRESS	PARCEL #	LEGAL DESCRIPTION
1	BETHESDA HOSPITAL INC.	Bethesda Hospital East	2815 S. Seacrest Blvd. Boynton Beach, FL 33435	08-43-45-33-10-000-0010	PINE CREST RIDGE LTS 1 TO 4 INC & SUB 33-45-43, SLY 200 FT OF NWLY 353.22 FT OF LT 14, TRGLR PAR OF LT 15, E 1/2 OF TR 18 (LESS 50 FT RD R/W) & TRGLR PAR OF LT 19 LYG W OF SEACREST BLVD & B M H PROPERTY PB49P43 ALL OF PLAT
2	BOCA RATON REGIONAL HOSPITAL INC.	Boca Raton Regional Hospital	800 Meadows Rd. Boca Raton, FL 33486	06-43-47-19-14-013-0085	FLORESTA ADD TO BOCA RATON PART OF PARCELS C & D LYING S OF MEADOWS RD
3	JFK MEDICAL CENTER LIMITED PARTNERSHIP	HCA Florida JFK Hospital	5301 S. Congress Ave. Atlantis, FL 33462	02-43-44-31-21-001-0000	CITY OF ATLANTIS PL 7 TRS A & B, TR C (LESS NLY 509.26 FT & SLY 497.41 FT) A/K/A PH I (LESS TRGLR PAR S CONGRESS AVE R/W), TR D (LESS E 12 FT S CONGRESS AVE R/W), N 1/2 OF 50 FT ABND PT OF JOHN F KENNEDY DR LYG SLY OF & ADJ TO TRS B & D IN OR10727P1709 (LESS E 12 FT S CONGRESS AVE R/W) & S 1/2 OF 50 FT ABND PT OF JOHN F KENNEDY DR LYG NLY OF & ADJ TO TR C (LESS E 12 FT S CONGRESS AVE R/W) & 31-44-43, PAR IN NE 1/4 LYG BET JOHN F KENNEDY DR & S CONGRESS AVE R/W/S (LESS PB28P174 & PAR IN OR6210P133)
4	PALMS WEST HOSPITAL LIMITED PARTNERSHIP	HCA Florida Palms West Hospital	13001 Southern Blvd. Loxahatchee, FL 33470	00-41-43-33-06-000-0010	PALMS WEST MEDICAL CENTER REPL NO 1 LT 1A
5	JUPITER MEDICAL CENTER INC	Jupiter Medical Center	1210 S. Old Dixie Hwy., Jupiter, FL 33458	30-42-41-12-00-000-1060	12-41-42, S 982 FT OF N 1,978.79 FT OF W 1,269.03 FT OF E 1,481.35 FT OF NE 1/4 (LESS S 40 FT JUPITER LAKES BLVD & TRGLR PAR R/W/S)
6	KINDRED HOSPITALS EAST LLC	Kindred Hospital - The Palm Beaches	5555 W. Blue Heron Blvd., Riviera Beach, FL 33418	56-42-42-25-41-000-0010	TRIANGLE COMMERCE CENTER LT 1
7	SELECT SPECIALITY HOSPITAL PALM BEACH INC.	Select Specialty Hospital - Palm Beach	3060 Melaleuca Ln., Lake Worth, FL 33461	70-43-44-30-22-000-0000	SELECT PLAZA MUPD ALL OF PLAT
8	TENET HEALTHCARE CORP.	Delray Medical Center	5352 Linton Blvd., Delray Beach, FL 33484	12-42-46-26-00-000-1040	26-46-42, N 1/2 OF NE 1/4 LYG S OF & ADJ TO LINTON BLVD, E OF & ADJ TO E-3 CNL & W OF & ADJ TO DELRAY MEDICAL CENTER CONDS I & III & PB66P41 (LESS WLY 375.71 FT, TR E IN IN OR3442P306, TRS N & Z IN OR9048P476 & LEASE PAR IN OR29183P1946)
9	TENET GOOD SAMARITAN INC.	Good Samaritan Medical Center	1309 N. Flagler Dr., West Palm Beach, FL 33401	74-43-43-15-19-001-0010	GRUBER CARLBERG ADD LT 1 (LESS W 12 FT DIXIE HWY R/W), LT 2 (LESS W 12 FT DIXIE HWY & S 36.5 FT PALM BEACH LAKES BLVD R/W/S), LT 3 (LESS S 36.5 FT PALM BEACH LAKES BLVD R/W), LTS 4 & 5 (LESS SLY 36.5 FT PALM BEACH LAKES BLVD R/W), LTS 6 THRU 11 (LESS S 30 FT PALM BEACH LAKES BLVD R/W), LT 12, LT 13 (LESS S 30 FT PALM BEACH LAKES BLVD R/W) BLK 1 & 13.5 FT ABND ALLEY LYG N OF & ADJ TO (LESS W 87 FT), LT 1, LT 2 (LESS S 30 FT PALM BEACH LAKES BLVD R/W) BLK 6 & 13.5 FT ABND ALLEY LYG N OF & ADJ TO, 60 FT ABND OLIVE ST LYG BET, TR LYG E OF & ADJ TO IN OR244P97 (LESS OR989P450, S 30 FT PALM BEACH LAKES BLVD & N FLAGLER DR R/W/S) & 15-43-43, S 507.56 FT OF N 837.56 FT OF GOV LT 6 & TR LYG ELY OF & ADJ TO & WLY OF & ADJ TO CITY OF WEST PALM BEACH BULKHEAD LINE (LESS LEASE PAR IN OR26341 P1236 K/A FARRIS BLDG, W 37 FT DIXIE HWY & N FLAGLER DR R/W/S)
10	PALM BEACH GARDENS COMMUNITY HOSPITAL IN.	Palm Beach Gardens Medical Center	3360 Burns Rd., Palm Beach Gardens, FL 33410	52-43-42-07-41-001-0000	PALM BEACH GARDENS MEDICAL CENTER PAR A K/A COMMERCIAL DEVELOPMENT
11	TENET ST. MARY'S INC.	St Mary's Med Ctr	901 45th St., West Palm Beach, FL 33407	74-43-43-04-33-002-0010	TENET ST MARYS PARCEL B REPL TR B K/A ALL OF PLAT (LESS QUANTUM HOUSE BLDG ONLY PAR, 5205 BLDG ONLY PAR IN OR20609P1368 & GROUND LEASE PAR IN OR24135P381)
12	WEST BOCA MEDICAL CENTER INC.	West Boca Med Ctr	21644 State Rd. 7, Boca Raton, FL 33428	00-42-47-19-20-002-0000	RAINBERRY WEST OF BOCA PL 1 TR B
13	UNIVERSAL HEALTH REALTY INCOME	Wellington Regional Medical Center	10101 Forest Hill Blvd., Wellington, FL 33414	73-42-43-27-05-018-0204	PALM BEACH FARMS PL 3 TH PT OF TRS 20, 21, 22, 27 & 28 AS IN OR5118P1393 BLK 18

MCD ID #	Organization	Facility	Hospital Address	Parcel #	2022 Net Inpatient Revenue	SFY2025 Assessment of Net IP	2022 Net Outpatient Revenue	SFY2025 Assessment of Net OP	Mandatory Payment	Invoice Name	Invoice Address	Email Contact	Phone Number
10140100	Baptist Health - South Florida	Bethesda Hospital East	2815 S. Seacrest Blvd., Boynton Beach, FL 33435	08-43-45-33-10-000-0010	\$209,202,895	\$4,484,547	\$135,079,627	\$3,025,784	\$7,510,331	Janette Sanchez; Sarah Vaupen	6855 S. Red Rd., Ste. 600, Coral Gables, FL 33143	JanetteS@baptisthealth.net; sarahva@baptisthealth.net	(786) 374-4496
10141900	Baptist Health - South Florida	Boca Raton Regional Hospital	800 Meadows Rd., Boca Raton, FL 33486	06-43-47-19-14-013-0085	\$215,687,666	\$4,835,436	\$393,582,716	\$8,816,253	\$13,651,689	Janette Sanchez; Sarah Vaupen	6855 S. Red Rd., Ste. 600, Coral Gables, FL 33143	JanetteS@baptisthealth.net; sarahva@baptisthealth.net	(786) 374-4496
10146000	HCA	HCA Florida JFK Hospital	5301 S. Congress Ave., Atlantis, FL 33462	02-43-44-31-21-001-0000	\$406,580,124	\$9,152,419	\$244,180,520	\$5,469,644	\$14,622,063	Thomas Schlemmer	5301 S. Congress Ave., Atlantis, FL 33462	Tom.Schlemmer@hcahealthcare.com	
12026000	HCA	HCA Florida Palms West Hospital	13001 Southern Blvd., Loxahatchee, FL 33470	00-41-43-33-06-200-0010	\$132,529,573	\$2,975,362	\$88,501,833	\$1,987,441	\$4,957,923	Samantha Silverberg	11001 Southern Blvd., Loxahatchee, FL 33470	samantha.silverberg@hcahealthcare.com	
12029400	Independent	Jupiter Medical Center	1210 S. Old Dixie Hwy., Jupiter, FL 33458	30-42-41-12-00-000-1050	\$165,524,660	\$3,730,167	\$166,688,701	\$3,733,649	\$7,484,006	Michael Loftus; Mary Messina	1210 S. Old Dixie Hwy., Jupiter, FL 33458	michael.loftus@jupitermed.com; mary.messina@jupitermed.com	
417000	Kindred Healthcare	Kindred Hospital - The Palm Beaches	5555 W. Blue Heron Blvd., Riviera Beach, FL 33411	56-42-42-25-41-000-0010	\$32,779,693	\$734,265	\$17,705	\$397	\$734,682	Sabah Hashi	680 S. Fourth St., Louisville, KY 40202	Sabah.Hashi@kindred.com	(469) 521-6767
10376400	Select Medical Corporation	Select Specialty Hospital - Palm Beach	3060 Metalauca Ln., Lake Worth, FL 33461	70-43-44-30-22-000-0000	\$34,404,498	\$770,661	\$0	\$0	\$770,661	Theresa Hackman; Ashley Corifer	4714 Gettysburg Rd., Mechanicsburg, PA 17055	Thackman@selectmedical.com; ACorifer@selectmedical.com	
12009000	Tenet Healthcare	Delray Medical Center	5352 Linton Blvd., Delray Beach, FL 33484	12-42-46-26-00-000-1040	\$330,390,899	\$7,400,756	\$122,910,779	\$2,753,201	\$10,153,957	Michelle Cartwright; Diana Strupp; Angelo Pagano	5352 Linton Blvd., Delray Beach, FL 33484	Michelle.cartwright@tenethealth.com; diana.strupp@tenethealth.com; Angelo.Pagano@tenethealth.com	
10152400	Tenet Healthcare	Good Samaritan Medical Center	1309 N. Flagler Dr., West Palm Beach, FL 33401	74-43-43-15-10-001-0010	\$129,363,431	\$2,897,741	\$116,035,807	\$2,599,202	\$5,496,943	Michelle Cartwright; Diana Strupp; Angelo Pagano	5352 Linton Blvd., Delray Beach, FL 33484	Michelle.cartwright@tenethealth.com; diana.strupp@tenethealth.com; Angelo.Pagano@tenethealth.com	
10210500	Tenet Healthcare	Palm Beach Gardens Medical Center	3360 Burns Rd., Palm Beach Gardens, FL 33410	52-43-42-07-41-001-0000	\$153,279,805	\$3,433,470	\$82,287,793	\$1,843,247	\$5,276,717	Michelle Cartwright; Diana Strupp; Angelo Pagano	5352 Linton Blvd., Delray Beach, FL 33484	Michelle.cartwright@tenethealth.com; diana.strupp@tenethealth.com; Angelo.Pagano@tenethealth.com	
10148600	Tenet Healthcare	St. Mary's Medical Center	801 45th St., West Palm Beach, FL 33407	74-43-43-04-33-002-0010	\$339,784,274	\$7,611,168	\$122,951,148	\$2,754,106	\$10,365,274	Michelle Cartwright; Diana Strupp; Angelo Pagano	5352 Linton Blvd., Delray Beach, FL 33484	Michelle.cartwright@tenethealth.com; diana.strupp@tenethealth.com; Angelo.Pagano@tenethealth.com	
12024300	Tenet Healthcare	West Boca Medical Center	21644 State Rd. 7, Boca Raton, FL 33428	00-42-47-19-200-002-0005	\$118,300,272	\$2,649,926	\$105,717,792	\$2,368,079	\$5,018,905	Michelle Cartwright; Diana Strupp; Angelo Pagano	5352 Linton Blvd., Delray Beach, FL 33484	Michelle.cartwright@tenethealth.com; diana.strupp@tenethealth.com; Angelo.Pagano@tenethealth.com	
10213000	UHS	Wellington Regional Medical Center	10101 Forest Hill Blvd., Wellington, FL 33414	73-42-43-27-05-018-0204	\$155,918,130	\$3,482,566	\$68,211,779	\$1,975,944	\$5,458,510	Jermaine Bucknor; Gary Branum; Merrick Morgan	10101 Forest Hill Blvd., Wellington, FL 33414	Jermaine.Bucknor@uhsinc.com; gary.branum@uhsinc.com; merrick.S.Morgan@uhsinc.com	

County Phone Number: 561-355-2040  
 BCC Address: Board of County Commissioners, 301 N. Olive Ave., West Palm Beach, FL 33401  
 Ordinance Date: August 26, 2021  
 Resolution Date: September 17, 2024  
 Disability Contact: Palm Beach County at 561-355-2754 or e-mail at pbccaccessibility@pbccgov.org  
 Mandatory Payments Due Date: Upon receipt of invoice

## LOCAL PROVIDER PARTICIPATION FUND ASSESSMENT AREA

### Provider List

All participating private hospitals in Palm Beach County, being more particularly described as follows:

Hospital Name: Bethesda Hospital East  
Hospital Address: 2815 S. Seacrest Blvd., Boynton Beach, FL 33435  
Parcel ID: 08-43-45-33-10-000-0010

Hospital Name: Boca Raton Regional Hospital  
Hospital Address: 800 Meadows Rd., Boca Raton, FL 33486  
Parcel ID: 06-43-47-19-14-013-0085

Hospital Name: HCA Florida JFK Hospital  
Hospital Address: 5301 S. Congress Ave., Atlantis, FL 33462  
Parcel ID: 02-43-44-31-21-001-0000

Hospital Name: HCA Florida Palms West Hospital  
Hospital Address: 13001 Southern Blvd., Loxahatchee, FL 33470  
Parcel ID: 00-41-43-33-06-000-0010

Hospital Name: Jupiter Medical Center  
Hospital Address: 1210 S. Old Dixie Hwy., Jupiter, FL 33458  
Parcel ID: 30-42-41-12-00-000-1060

Hospital Name: Kindred Hospital - The Palm Beaches  
Hospital Address: 5555 W. Blue Heron Blvd., Riviera Beach, FL 33418  
Parcel ID: 56-42-42-25-41-000-0010

Hospital Name: Select Specialty Hospital - Palm Beach  
Hospital Address: 3060 Melaleuca Ln., Lake Worth, FL 33461  
Parcel ID: 70-43-44-30-22-000-0000

Hospital Name: Delray Medical Center  
Hospital Address: 5352 Linton Blvd., Delray Beach, FL 33484  
Parcel ID: 12-42-46-26-00-000-1040

Hospital Name: Good Samaritan Medical Center  
Hospital Address: 1309 N. Flagler Dr., West Palm Beach, FL 33401  
Parcel ID: 74-43-43-15-19-001-0010

Hospital Name: Palm Beach Gardens Medical Center  
Hospital Address: 3360 Burns Rd., Palm Beach Gardens, FL 33410  
Parcel ID: 52-43-42-07-41-001-0000

Hospital Name: St Mary's Medical Center  
Hospital Address: 901 45th St., West Palm Beach, FL 33407  
Parcel ID: 74-43-43-04-33-002-0010

Hospital Name: West Boca Medical Center  
Hospital Address: 21644 State Rd. 7, Boca Raton, FL 33428  
Parcel ID: 00-42-47-19-20-002-0000

Hospital Name: Wellington Regional Medical Center  
Hospital Address: 10101 Forest Hill Blvd., Wellington, FL 33414  
Parcel ID: 73-42-43-27-05-018-0204

Being in total thirteen (13) parcels of land to be included in the Local Provider Participation Fund and subject to a non-ad valorem special assessment to be levied by the Board of County Commissioners of Palm Beach County, Florida after due notice and public hearing thereon.

**THIRD AMENDMENT**

**THIRD AMENDMENT TO  
INTERLOCAL AGREEMENT RELATING TO ADMINISTRATION OF  
THE LOCAL PROVIDER PARTICIPATION FUND  
BY AND BETWEEN  
THE HEALTH CARE DISTRICT OF PALM BEACH COUNTY AND  
PALM BEACH COUNTY**

**THIS THIRD AMENDMENT TO INTERLOCAL AGREEMENT RELATING TO THE LOCAL PROVIDER PARTICIPATION FUND** (R2021 1369, "Interlocal Agreement") is made and entered into on September 17, 2024, by and between the Health Care District of Palm Beach County, a political subdivision of the State of Florida, hereinafter the DISTRICT or HCD, and Palm Beach County, a Political Subdivision of the State of Florida, by and through its Board of County Commissioners, hereinafter COUNTY. The DISTRICT and COUNTY shall be collectively referred to as "Parties" or individually as a "Party".

**RECITALS**

**WHEREAS**, the parties entered into an Interlocal Agreement on September 14, 2021 ("Effective Date"), authorizing the DISTRICT to act on the COUNTY's behalf as the Assessment Coordinator to administer the Assessment provided for in the County's Local Provider Participation Fund Ordinance for a term of one year with an option to renew for four (4) additional one-year terms; and

**WHEREAS**, the parties entered into a First Amendment to the Interlocal Agreement (R2022-1032) on September 13, 2022, to update contact information and exercise the first renewal option; and

**WHEREAS**, the Parties entered into a Second Amendment to the Interlocal Agreement (R2023-1188) on September 12, 2023, to exercise the second renewal option; and

**WHEREAS**, the need exists to amend the Interlocal Agreement to exercise the third renewal option.

**NOW, THEREFORE**, the DISTRICT and the COUNTY, in consideration of the terms and conditions set forth herein and the benefits flowing from each to the other, do hereby agree as follows:

1. The foregoing recitals are true and correct and incorporated herein by reference.
2. **SECTION 8. TERM** of the Interlocal Agreement is replaced in its entirety with the following:

The term of the Interlocal Agreement shall commence upon the Effective Date and continue in effect for four (4) years with an option to renew for one (1) additional one-year term, at the sole discretion of the County. The Interlocal Agreement may be terminated by either party without cause by written notice of termination to the other party provided at least six (6) months before the annual anniversary of the Effective Date, with the termination becoming effective on the annual anniversary of the Effective Date.

3. All other provisions of the Interlocal Agreement, the First Amendment, and the Second Amendment not modified in this Third Amendment remain in full force and effect. In the event of any conflict between the terms and conditions of this Third Amendment and the terms and conditions of the Interlocal Agreement, the First Amendment, and the Second Amendment, this Third Amendment shall prevail. Whenever possible, the provisions of such documents shall be construed in such a manner as to avoid conflicts between the provisions of the various documents.

5. This Third Amendment may be executed in two or more counterparts, each of which shall be deemed to be an original, but each of which together shall constitute one and the same instrument. Electronically affixed or electronically transmitted copies of signatures shall be deemed as original signatures.

*Remainder of Page Left Blank Intentionally*

**IN WITNESS WHEREOF**, the undersigned Parties made and executed this Agreement on the day and year first written above.

**ATTEST:**

**Joseph Abruzzo**  
Clerk of the Circuit Court & Comptroller

**PALM BEACH COUNTY, FLORIDA, BY  
ITS BOARD OF COUNTY COMMISSIONERS**

By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_  
Maria Sachs, Mayor

**APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY**

**APPROVED AS TO TERMS  
AND CONDITIONS**

By: Helene C. Abizid  
County Attorney

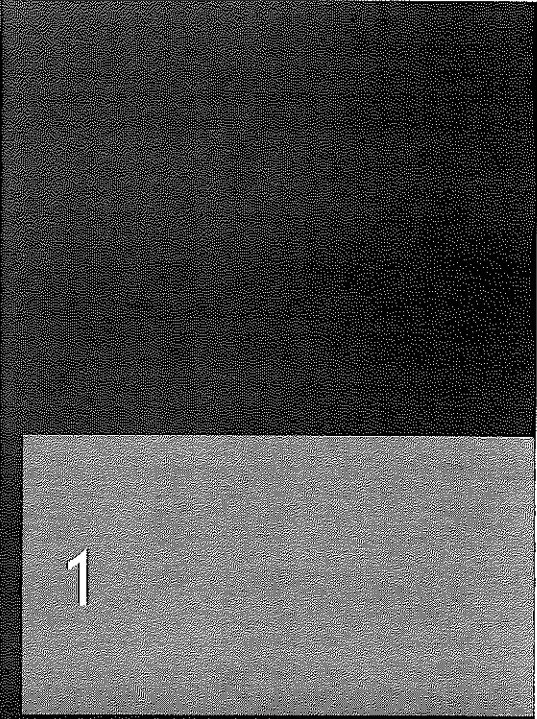
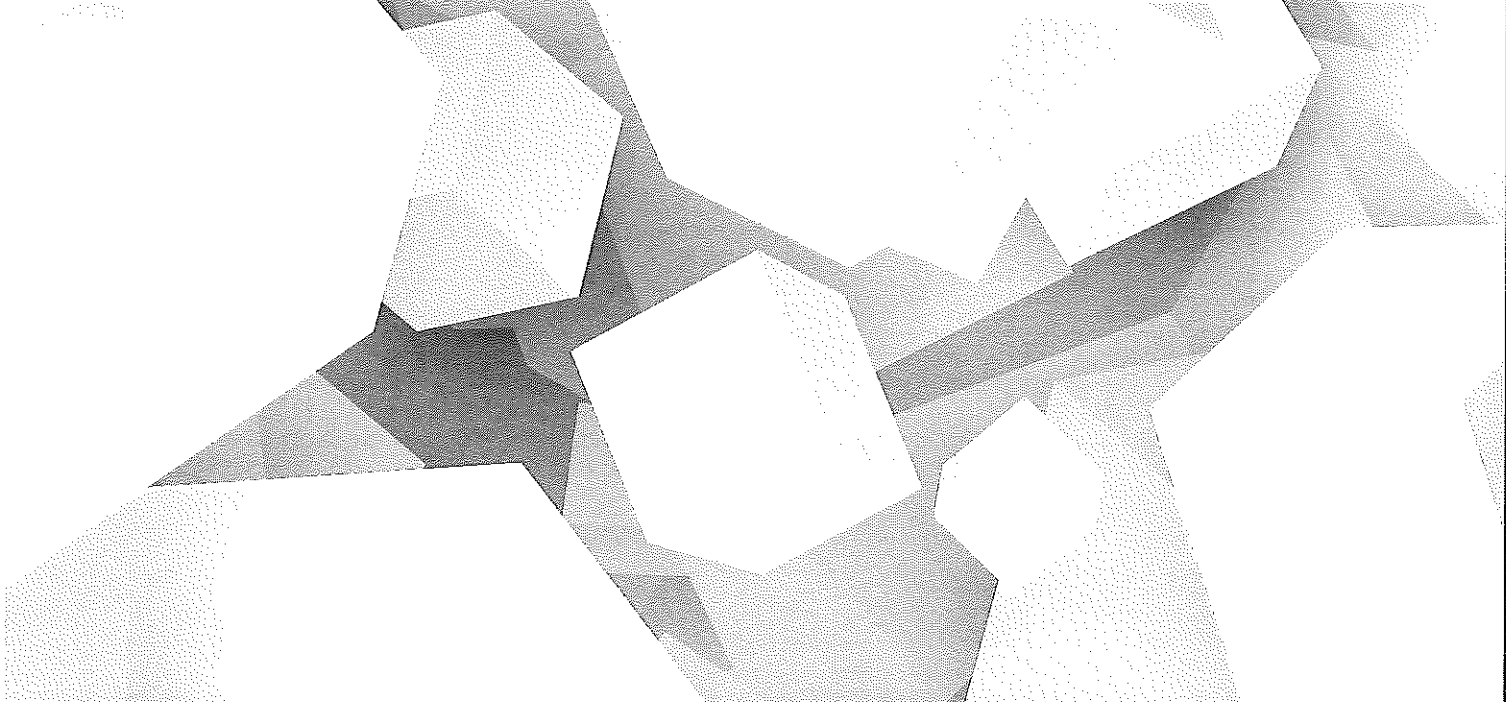
By: [Signature]  
Reginald Duren, Assistant County Administrator

**HEALTH CARE DISTRICT OF PALM BEACH  
COUNTY**

By: Darcy J. Davis  
Darcy J. Davis  
Chief Executive Officer

**APPROVED AS TO FORM AND LEGAL  
SUFFICIENCY**

By: Bernabe D. Icaza  
General Counsel  
Health Care District of Palm Beach County



# Local Provider Participation Fund

Year 3 Review, Year 4 Preparation

Attachment # 3



# Agenda

2

- Directed Payment Program Overview
- Year 3 Quality Metric Performance
- Recent Initiatives in Palm Beach
- 2024 Directed Payment Program Process
- Local Government Participation
- 2024 Palm Beach County Timeline



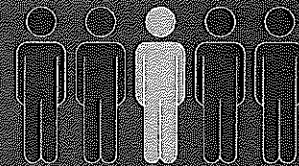
# Directed Payment Program Overview



# Medicaid Overview

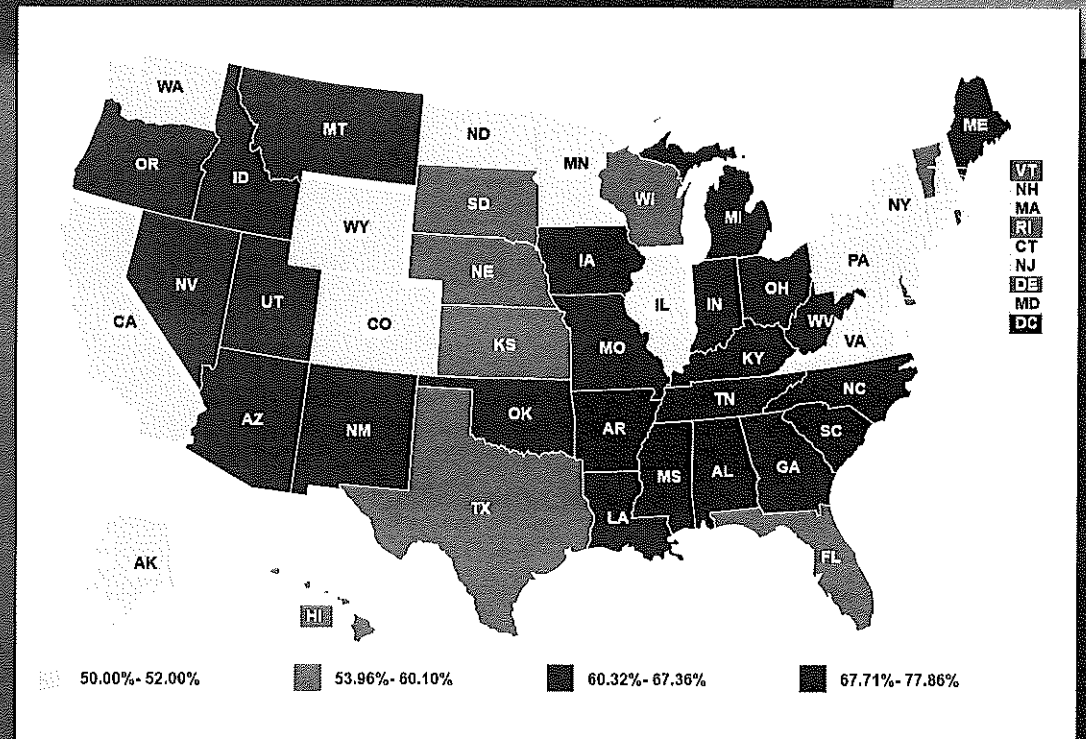
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- Medicaid is the nation's public health insurance program for low-income children, families, elders, and people with disabilities.
- Roughly 1 in 5 Florida residents is enrolled.
  - Over 200,000 Palm Beach residents are Medicaid enrollees.
  - 46% of births in Palm Beach are Medicaid births.
- The Medicaid program supports the health care safety-net and increases the state's capacity to address health challenges.



# Medicaid Overview

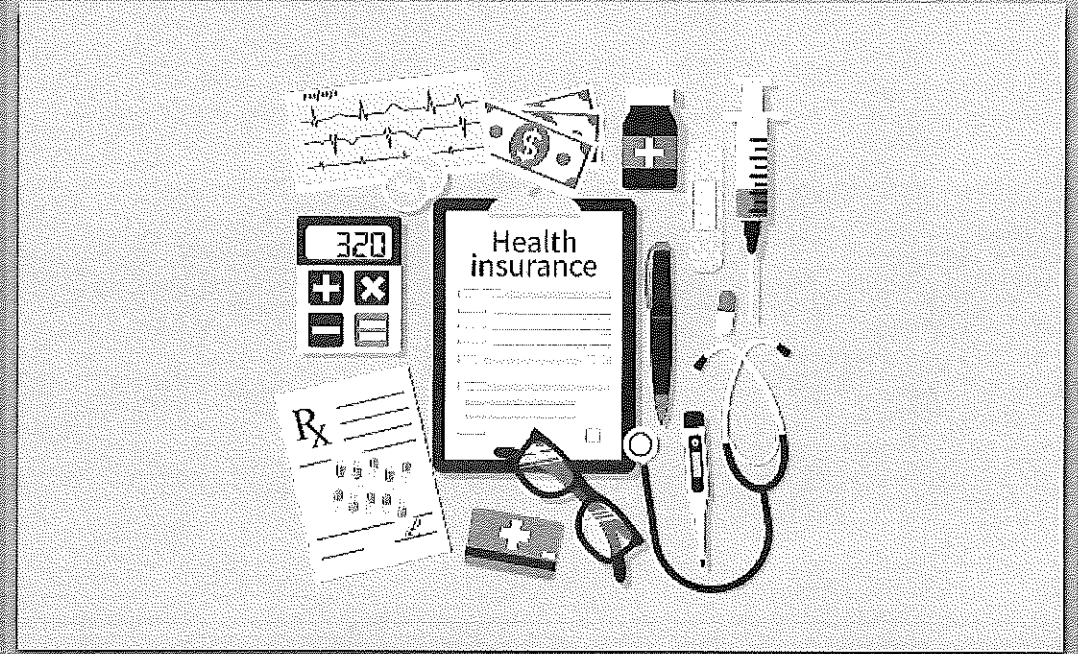
- Medicaid is jointly funded by the states and federal government.
- The state contributes, and the federal government provides matching funds.





## Medicaid Overview

- Historically, Florida's hospitals received only about 60 cents per dollar of cost in reimbursement for Medicaid services.
- This problem was compounded by the fact most hospitals received very low levels of reimbursement for charity care services.



## Medicaid Opportunity

In November 2020, the Governor included in his recommended budget direction for the state's Medicaid agency to seek federal approval for a directed payment program to narrow the reimbursement gap.

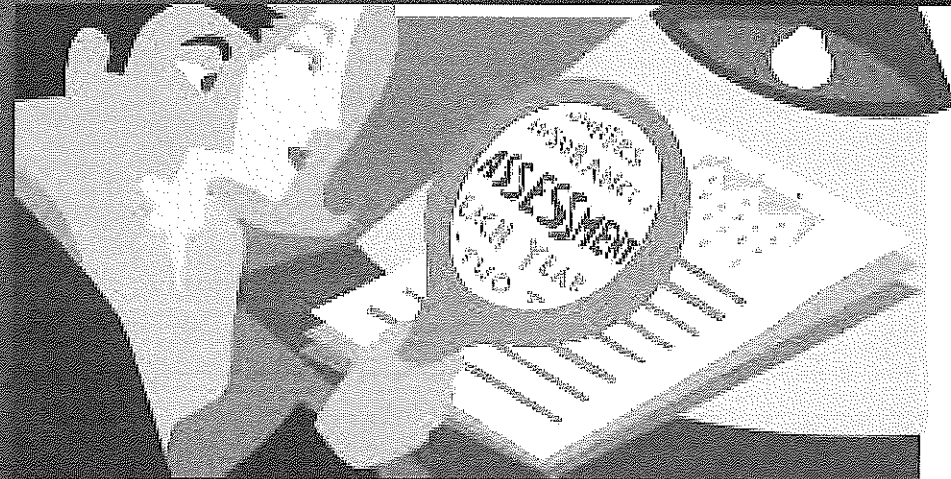




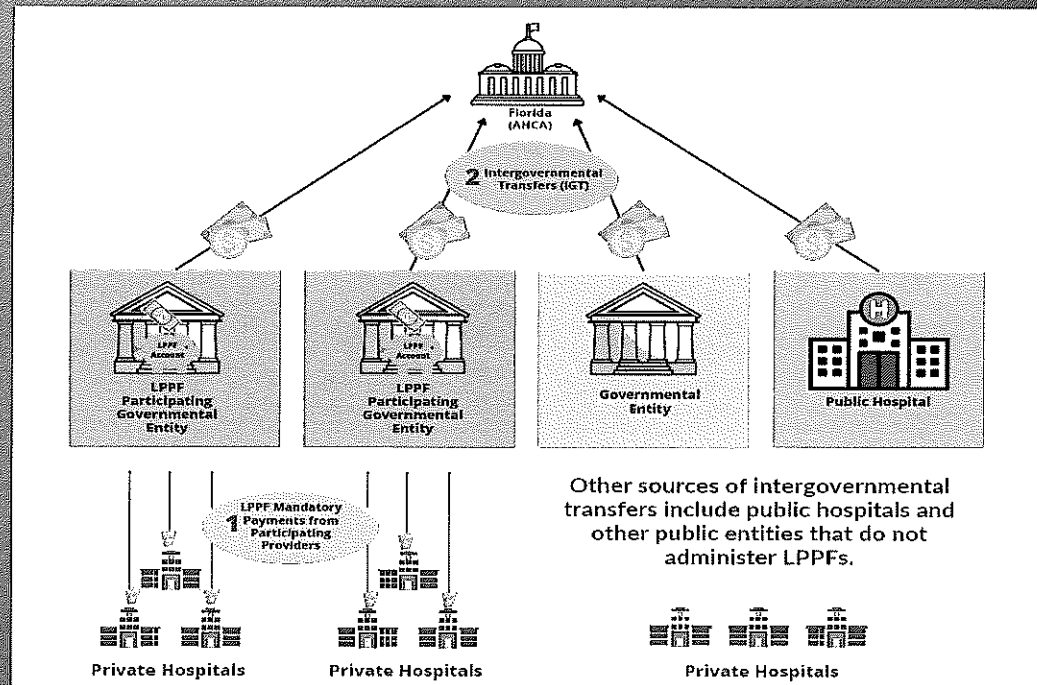
## Non-Federal Share Funding

8

The source of the non-federal share was identified as local government special assessments levied against properties on which non-public hospitals operate.



# Flow of Funds for DPP



- Governmental entities, including the state’s public hospitals, submit IGTs to the state.
- After submission of the IGTs, the Agency for Health Care Administration applies the matching funds and distributes sums to the managed care organizations for dispersal to hospitals across the state.



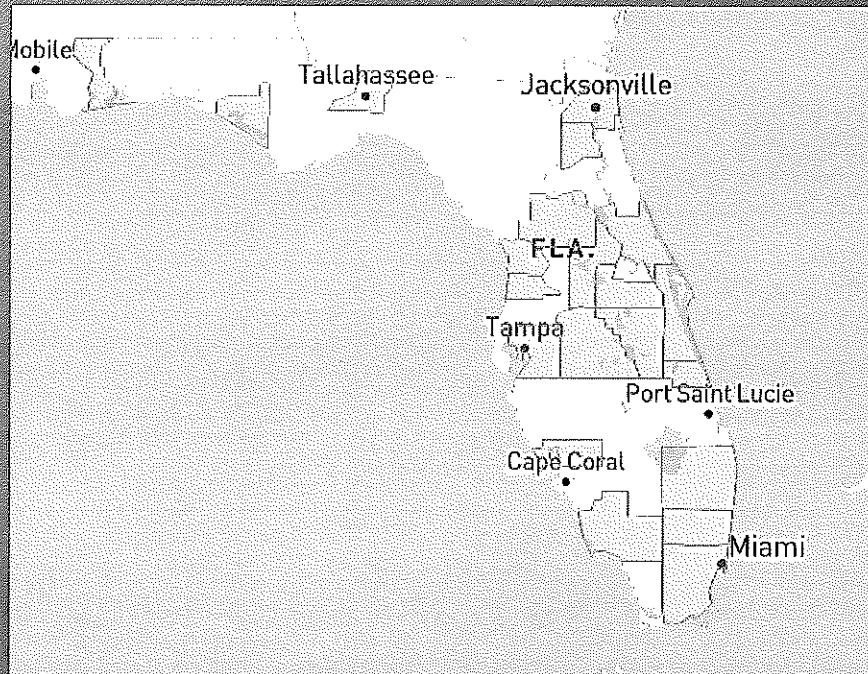
# Program Review

10

- Palm Beach County's Local Provider Participation Fund is a non-ad valorem special assessment that allows non-public hospitals in the jurisdiction to access available federal dollars.
- The assessment qualifies as a "provider tax" under federal law that is eligible for federal match because it is:
  - Broad Based
  - Uniform
  - Entails No Hold-Harmless Guarantee
    - Does Not Exceed 6% of revenues

## LPPFs Who Funded DPP in 2023

11

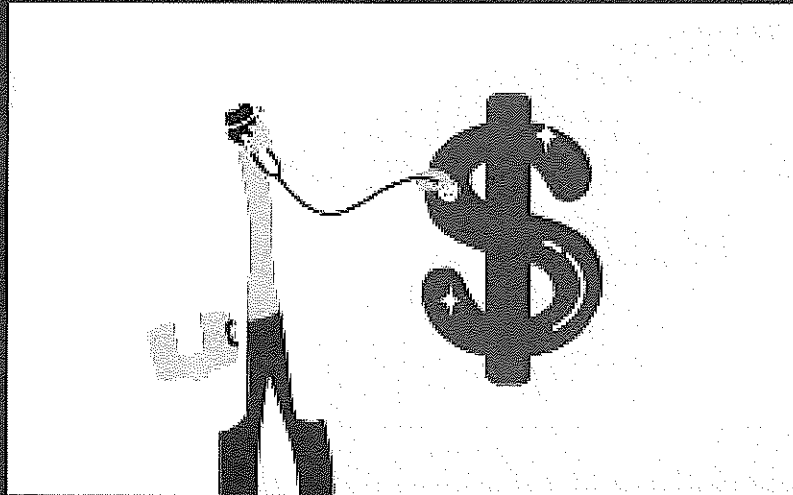


- In 2021, 15 Florida counties adopted Local Provider Participation Fund ordinances and passed resolutions levying non-ad valorem special assessments for the hospital directed payment program.
- In 2022, another 6 jurisdictions passed resolutions for the program.
- The same 21 jurisdictions participated in 2023.



## Flow of Funds for DPP Year 3

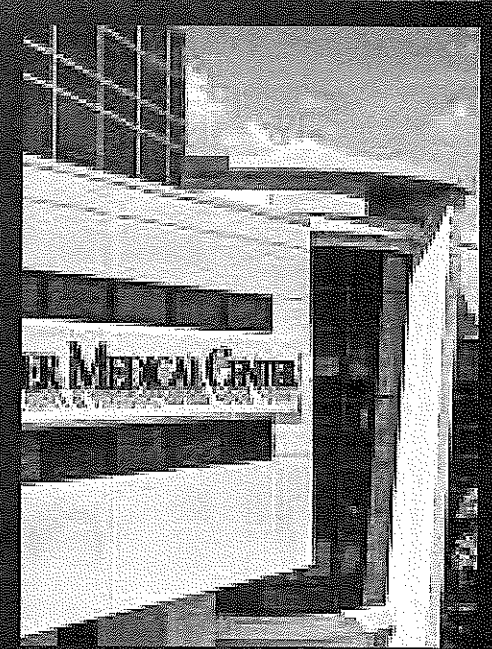
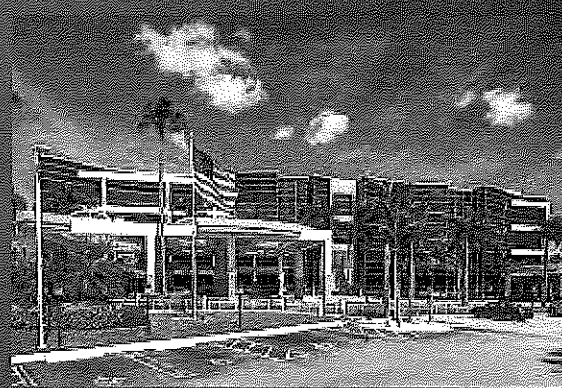
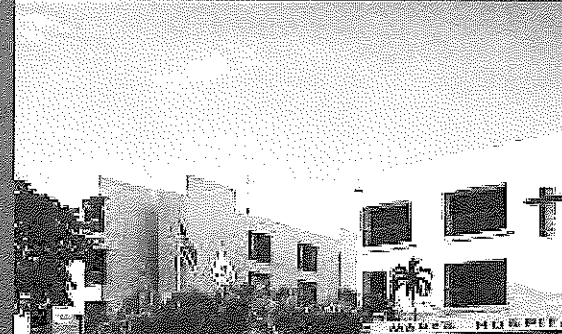
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- Hospitals began receiving the added Medicaid reimbursement for Year 3 in early 2024.
- The hospitals should receive all DPP Year 3 funds by the end of July 2024.

## Benefit to Your County's Hospitals

- Because of the county's participation in the Year 3 DPP program, hospitals in Palm Beach received a uniform percentage increase in reimbursement for Medicaid services.
- Money followed the patient for Medicaid services provided from October 2022 until the end of September 2023.



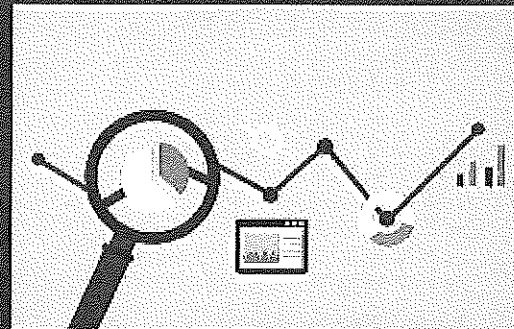




# Year 3 Quality Metric Performance

## Addition of Quality Metrics

15



- The Agency for Health Care Administration annually applies 3 quality metrics for Florida's Medicaid-providing hospitals. The three quality measures involve:
  - Decreasing Cesarean Sections
  - Decreasing Potentially Preventable Hospital Readmissions
  - Increasing Follow-Up after Hospitalization for Mental Health



## Metrics Explained



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- Each metric is associated with a 2% withhold.
- After evaluating performance, the state calls for an IGT of the amount the hospitals are eligible to receive.
- Because each county's rate must be set in advance, the rate recommendation assumes satisfaction of all metrics.
- Any remaining funds in the Local Provider Participation Fund remain in the account and roll into next year. Next year's rate will reflect the new projected need.

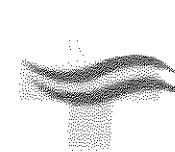
## Metrics Explained

- In Year 3, Palm Beach's performance was in line with other regions across the state.
- Palm Beach hospitals met one of the three metrics.

GOOD SAMARITAN MEDICAL CENTER AND ST. MARY'S  
MEDICAL CENTER EARN AWARDS FOR LOW C-SECTION RATES  
FROM THE FLORIDA DEPARTMENT OF HEALTH AND THE  
AGENCY FOR HEALTH CARE ADMINISTRATION

Jul 9, 2024 | 5F STATE

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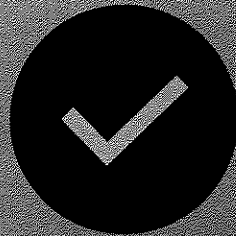
**PALM BEACH**  
HEALTH NETWORK



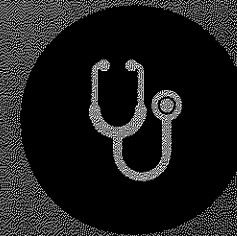


## Metric Refinement

18



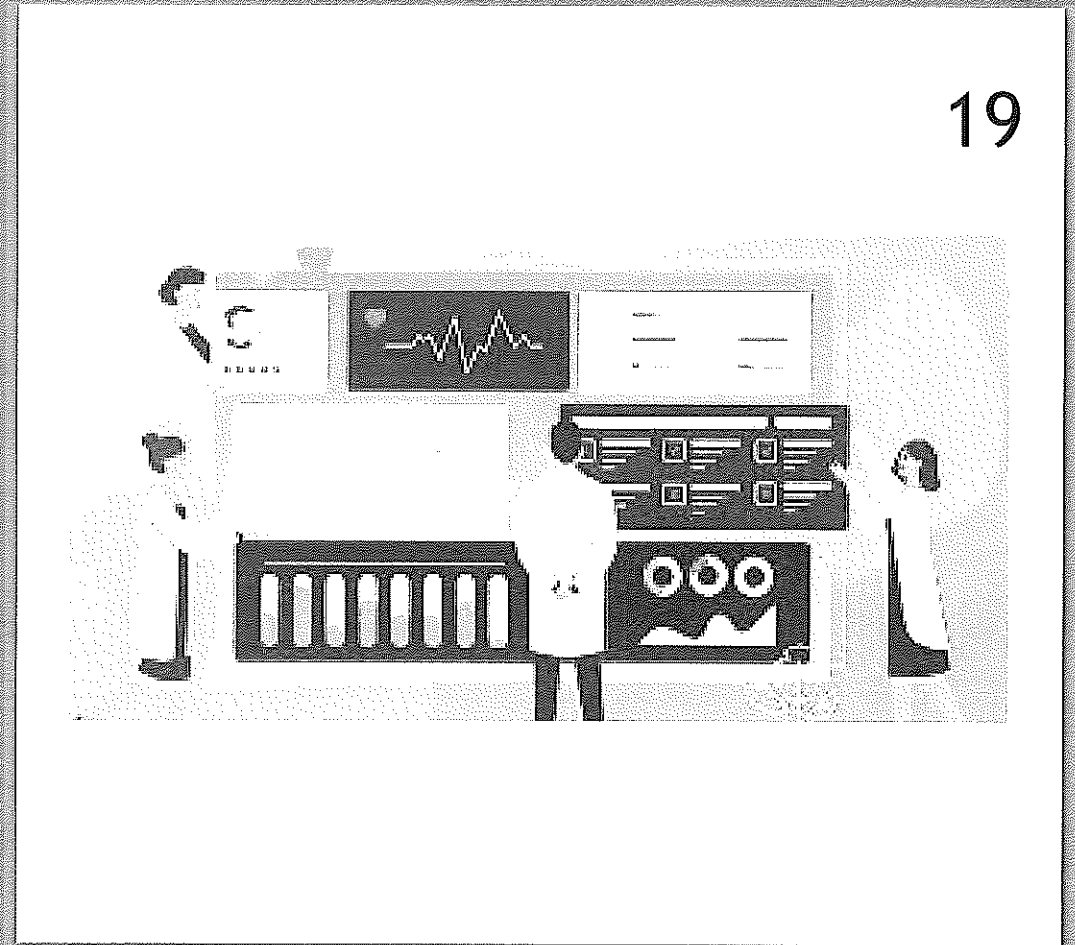
In upcoming years, the state will continue to refine the quality metrics and thresholds.



Hospitals have expressed particular concern over the mental health metric, noting that attendance at a follow-up visit is beyond hospital control. Providers will encourage the state to reconsider the best means to assess progress for mental health care.

## Performance Improvement

- Hospitals are also requesting access to real-time data or interim performance reports.
- Hospitals continue to share best practices.



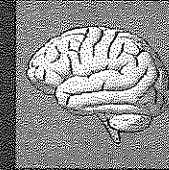




# Recent Initiatives in Palm Beach



# Mental Health Initiatives



21

Delray Medical Center, with the FAU Schmidt College of Medicine, sponsors the only behavioral health residency program in Palm Beach County.



Wellington Regional Medical Center houses the county's only Butterfly House - a center that provides free and confidential support services for victims of sexual violence.



HCA Florida JFK Hospital partners with the National Alliance on Mental Health (NAMI) to sponsor and support the NAMI Walk and NAMI Luncheon on Mental Health Awareness.

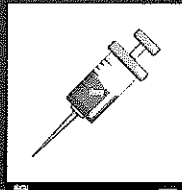


To increase access to behavioral health counseling in South Florida, Baptist Health's Community Benefit Committee supports organizations that provide free, low-cost, or discounted counseling services.



Counseling is provided by graduate students pursuing master and doctoral degrees, and clinical volunteers trained and supervised by licensed psychologists.





## Addressing Drug Addiction

Palm Beach County hospitals regularly provide services to individuals addicted to substances by providing care and focusing on treatment and recovery. Some examples include:

22

- Delray Medical Center's accredited Opioid Treatment Program
- HCA Florida JFK Hospital - North Campus and the Health Care District Addiction Stabilization Unit, which serves as the entry point of care providing medical treatment after an overdose
- St. Mary's Medical Center's participation in the Florida Perinatal Quality collaborative and the Maternal Opioid Recovery Initiative, which works with providers, hospitals, and other stakeholders to improve identification, clinical care, and coordinated treatment and support for pregnant women with opioid use disorder and their infants.
- Baptist Health's three drug and alcohol treatment centers throughout South Florida
- Kindred Hospital - The Palm Beaches' work with the American Addiction Centers, Retreat Behavioral Health in Palm Springs, and Balanced Healthcare in St. Petersburg to treat patients with addiction and behavior issues



# Women's and Children's Health Initiatives



Good Samaritan Medical Center completed a major, multi-million-dollar renovation of the Breast Center, including innovative technology to help diagnose and treat breast cancer


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Jupiter Medical Center operates the award-winning Matrianni Family Pediatric Emergency Department, treating over 7,000 children annually, with five urgent care facilities throughout the community

Baptist Health South Florida provides funding to support community organizations addressing the needs and health of women and children in the county, partnering with 211 Palm Beach/Treasure Coast, The Promise Fund of Florida, and Women's Breast and Heart Initiative

West Boca Medical Center sponsors women's and children's programming throughout the county, including programs such as Blooming Babies, Swim Safety Month, and Story Time

St. Mary's Medical Center operates a Regional Perinatal Intensive Care Center, one of only 11 such centers, to provide obstetrical services to women with high-risk pregnancies and care to newborns with special health needs, such as critical illness or low birth weight



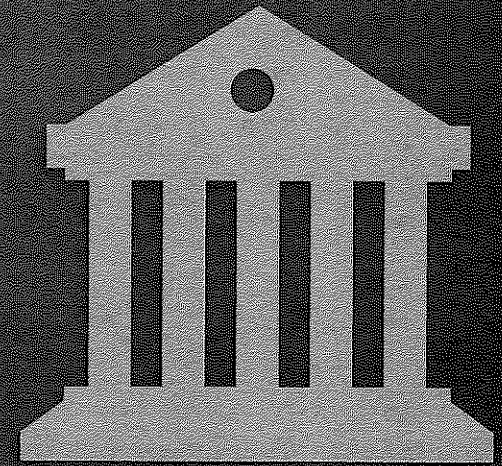
# 2024 Directed Payment Program Process



# Federal Changes Proposed & Abandoned

25

- Over the course of the last 2 years, CMS began proposing changes to the rules governing the financing of the nonfederal share for programs like the DPP.
- Texas and Florida sued, arguing the proposal strayed from the powers afforded under the Social Security Act.
- A federal court in Texas enjoined CMS from moving forward with the changes.
- CMS announced this year that it would leave the status quo in place until the courts resolve the statutory interpretation question (2028).





# Federal Preprint Submission

26

The Centers for Medicare and Medicaid Services (CMS) approved Year 4 of Florida's Directed Payment Program on July 9, 2024.



# State Budget Authority

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At the state level, Florida's legislature once again adopted a budget with proviso language that:



*Better Health Care  
for All Floridians*

- Directs AHCA to seek federal reauthorization for the Directed Payment Program
- Requires AHCA to submit a request for state legislative authority (the Legislative Budget Commission) to move funds to again implement the program, if approved



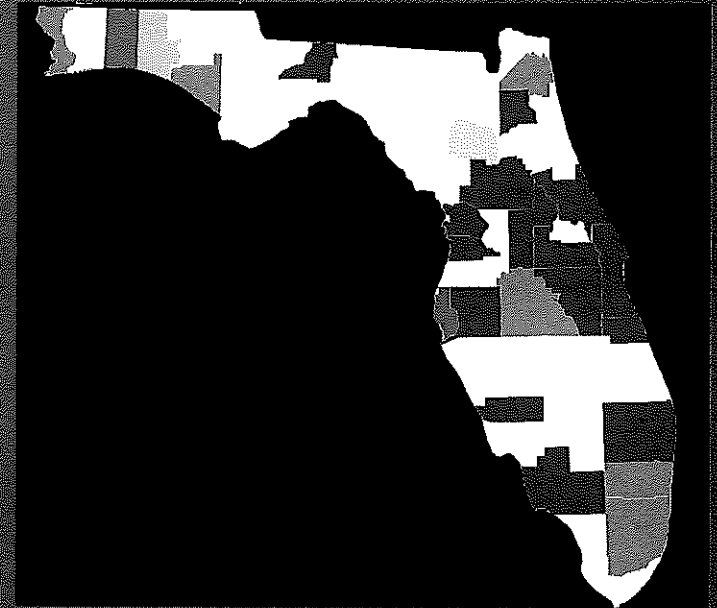


# Local Government Participation

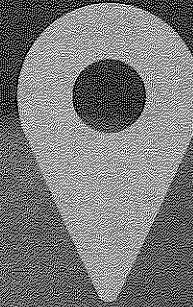
## LPPFs in 2024

29

- In 2024, the number of participating counties will reach a minimum of 25.
- One additional jurisdiction—Okaloosa—is considering the opportunity.
- Many jurisdictions are using the LPPF to fund programs beyond the DPP.







# 2024 Palm Beach County Timeline



## Resources for Resolution Passage

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- To facilitate passage of a 2024 resolution, the County will once again receive:
  - Draft agenda item
  - Draft notices
  - Draft invoices
  - Draft LOA questionnaire responses

# Timeline for Resolution Passage

32

The target date for Palm Beach County's assessment resolution vote is:

September 11, 2013

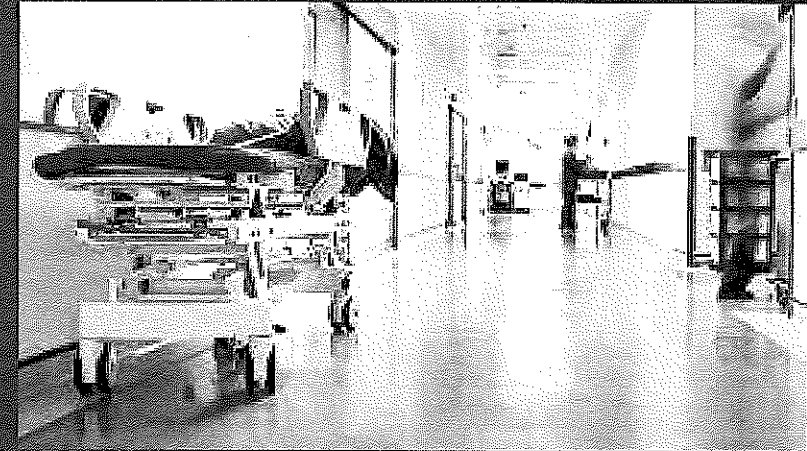
The LOA deadline is:

October 1, 2013



## Results of County Efforts

- Palm Beach County's hospitals wish to express gratitude for the County's establishment and implementation of a Local Provider Participation Fund.
- This continued partnership enables the hospitals' success as care providers and community partners.
- Continuing to draw down available resources ensures Palm Beach County's hospitals will remain competitive providers, reliable employers, and healthcare leaders.





Questions?