



**II. FISCAL IMPACT ANALYSIS**

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

Fiscal Years	2021	2022	2023	2024	2025
Capital Expenditures					
Operating Costs					
External Revenue					
Program Income					
In-Kind Match (County)					
<b>NET FISCAL IMPACT</b>					

# ADDITIONAL FTE POSITIONS (Cumulative)					

Is Item Included In Current Budget: Yes  No   
 Does this item include the use of federal funds: Yes  No

Budget Account No.:  
 Fund \_\_\_ Dept. \_\_\_ Unit \_\_\_ Obj. Program Code \_\_\_ Program Period: \_\_\_

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

**C. Departmental Fiscal Review: \_\_\_\_\_**

**III. REVIEW COMMENTS**

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

Palm Beach County Ad Valorem

Steve Murt 9/10/21  
 OFMB/AA 9-10-21

John J. Jacobson 9/10/21  
 Contract Development and Control

**B. Legal Sufficiency:**

MB Herman for H. Hugel 9/13/21  
 Assistant County Attorney

**C. Other Department Review:**

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

**This summary is not to be used as a basis for payment.**

**Background and Justification (Continued from Page 1):** 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 received CMS approval of its proposal for its directed payment arrangement on April 26, 2021. The non-federal share of the program will be obtained through the proposed non ad valorem assessments to be levied on each participating hospital, as described in the Ordinance, which was adopted by the Board on August 26, 2021.

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 (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) are entering into an Interlocal Agreement concurrently with the adoption of this Resolution in which the District is accepting 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.

*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 0.25% of gross patient revenue for each Assessed Property as specified in the attached 2020-2021 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 to refund to Assessed Properties, in proportion to amounts paid in during the Fiscal Year, 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 by first class mail 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 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 during fiscal year 2022.

**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:

Dave Kerner, Mayor	-	_____
Robert S. Weinroth, Vice Mayor	-	_____
Commissioner Maria G. Marino	-	_____
Commissioner Gregg K. Weiss	-	_____
Commissioner Maria Sachs	-	_____
Commissioner Melissa McKinlay	-	_____
Commissioner Mack Bernard	-	_____

The Mayor thereupon declared the Resolution duly passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

ATTEST:  
CLERK OF COURT & COMPTROLLER  
Joseph Abruzzo

Palm Beach County, Florida by its  
Board of County Commissioners

By: \_\_\_\_\_  
Clerk of Court & Comptroller

By: \_\_\_\_\_  
Mayor

Approved as to Form and Legal Sufficiency:

Approved as to Content:

By: *MB Herman*  
Assistant County Attorney  
*for Helene Hvizd*

By: *Nancy L. Bolton*  
Nancy L. Bolton, Assistant County  
Administrator

MCD ID #	Organization	Facility	Hospital Address	Rate	Mandatory Payment	Invoice Contact	Invoice Address
10140100	Baptist Health - South Florida	Bethesda Hospital East	2815 S Seacrest Blvd Boynton Beach, FL 33435	0.25% GROSS	\$ 5,497,250	Bethesda Hospital East	2815 S Seacrest Blvd Boynton Beach, FL 33435
10141900	Baptist Health - South Florida	Boca Raton Regional Hospital	800 Meadows Rd Boca Raton, FL 33486	0.25% GROSS	\$ 5,704,651	Boca Raton Regional Hospital	800 Meadows Rd Boca Raton, FL 33486
10146000	HCA	JFK Medical Center	5301 S Congress Ave Atlantis, FL 33462	0.25% GROSS	\$ 14,412,857	Thomas Schlemmer	5301 South Congress Avenue Atlantis, FL 33462
12026000	HCA	Palms West Hospital	13001 Southern Blvd Loxahatchee, FL 33470	0.25% GROSS	\$ 4,295,021	Onel Rodriguez	13001 Southern Boulevard, Loxahatchee, FL 33470
12029400	Independent	Jupiter Medical Center	1210 S Old Dixie Hwy, Jupiter, FL 33458	0.25% GROSS	\$ 3,167,079	Dale Hocking	1210 S Old Dixie Hwy Jupiter, FL 33458
107352700	Kindred Healthcare	Kindred Hospital - The Palm Beaches	5555 W Blue Heron Blvd, Riviera Beach, FL 33418	0.25% GROSS	\$ 337,638	Elayne Honerlaw	5555 W Blue Heron Blvd, Riviera Beach, FL 33418
10376400	Select Medical Corporation	Select Specialty Hospital - Palm Beach	3060 Melaleuca Ln, Lake Worth, FL 33461	0.25% GROSS	\$ 356,634	Theresa Hackman	4714 Gettysburg Road, Mechanicsburg, PA 17055
12009000	Tenet Healthcare	Delray Medical Center	5352 Linton Blvd, Delray Beach, FL 33484	0.25% GROSS	\$ 9,290,051	Michelle Cartwright	5352 Linton Boulevard Delray Beach, FL 33484
10152400	Tenet Healthcare	Good Samaritan Medical Center	1309 N Flagler Dr, West Palm Beach, FL 33401	0.25% GROSS	\$ 5,037,982	Good Samaritan Medical Center	1309 N Flagler Dr, West Palm Beach, FL 33401
10210500	Tenet Healthcare	Palm Beach Gardens Medical Center	3360 Burns Rd, Palm Beach Gardens, FL 33410	0.25% GROSS	\$ 4,853,529	Palm Beach Gardens Medical Center	3360 Burns Rd, Palm Beach Gardens, FL 33410
10148600	Tenet Healthcare	St Mary's Medical Center	901 45th St, West Palm Beach, FL 33407	0.25% GROSS	\$ 5,565,526	Don Chester	901 45th Street, West Palm Beach, FL 33407
12024300	Tenet Healthcare	West Boca Medical Center	21644 State Rd. 7, Boca Raton, FL 33428	0.25% GROSS	\$ 3,501,126	Kim Cole	21644 State Rd 7 West Boca, FL 33428
10213000	UHS	Wellington Regional Medical Center	10101 Forest Hill Blvd, Wellington, FL 33414	0.25% GROSS	\$ 3,939,170	Pam Tahan	10101 Forest Hill Blvd, Wellington, FL 33414

County Phone Number: 561-355-2996

BCC Address: North County Government Center located at 3188 PGA Boulevard, West Palm Beach, FL 33410

Ordinance Date: August 26, 2021

Resolution Date: September 14, 2021 at 9:30 a.m.

Disability Contact: Palm Beach County at 561-355-2754 or e-mail at [pbaccessibility@pbcgov.org](mailto:pbaccessibility@pbcgov.org)

Mandatory Payments Due Date: October 15, 2021



Organization	Title	Name	Hospital	Address	Phone Number	Email
Independent	CFO	Dale Hocking	Jupiter Medical Center	1210 S Old Dixie Hwy Jupiter, FL 33458	561-263-5740	<a href="mailto:dhocking@jupitermed.com">dhocking@jupitermed.com</a>
Tenet	CFO	Kim Cole	West Boca Medical Center	21644 State Rd 7 West Boca, FL 33428	561-488-8140	<a href="mailto:Kim.Cole@tenethealth.com">Kim.Cole@tenethealth.com</a>
HCA	CFO	Onel Rodriguez	Palms West Hospital	13001 Southern Boulevard, Loxahatchee, FL 33470	561.798.6069	<a href="mailto:Onel.rodiguez@hcahealthcare.com">Onel.rodiguez@hcahealthcare.com</a>
HCA	CFO	Thomas Schlemmer	JFK Medical Center	5301 South Congress Avenue Atlantis, Fl 33462	561-548-3510	<a href="mailto:Tom.Schlemmer@hcahealthcare.com">Tom.Schlemmer@hcahealthcare.com</a>
Tenet	CFO & PBHN Group CFO	Michelle Cartwright	Delray Medical Center, Inc.	5352 Linton Boulevard Delray Beach, FL 33484	561-495-3100	<a href="mailto:Michelle.cartwright@tenethealth.com">Michelle.cartwright@tenethealth.com</a>
Tenet	CEO	Don Chester	St. Mary's Medical Center	901 45th Street, West Palm Beach, FL 33407	561-881-2892	<a href="mailto:don.chester@tenethealth.com">don.chester@tenethealth.com</a>
Select	Director of Finance	Theresa Hackman	Select Specialty Hospital	4714 Gettysburg Road, Mechanicsburg, PA 17055	717-409-0846	<a href="mailto:Thackman@selectmedical.com">Thackman@selectmedical.com</a>
Kindred	CEO	Elayne Honerlaw	Kindred West Palm Beach	5555 W Blue Heron Blvd, Riviera Beach, FL 33418	561.840.0754	<a href="mailto:Elayne.honerlaw@kindred.com">Elayne.honerlaw@kindred.com</a>
UHS	CEO	Pam Tahan	Wellington Regional Medical Center	10101 Forest Hill Blvd, Wellington, FL 33414	561-798-8501	<a href="mailto:Pam.Tahan@uhsinc.com">Pam.Tahan@uhsinc.com</a>

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	JFK Medical Center	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/WS (LESS PB28P174 & PAR IN OR6210P133)
4	PALMS WEST HOSPITAL LIMITED PARTNERSHIP	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/WS)
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	DELRAY MEDICAL CENTER INC	Delray Med Ctr	5130 Linton Blvd, Delray Beach, FL 33484	12-42-46-26-00-0000-1110	26-46-42, NLY 672.37 FT OF ELY 950.7 FT & SLY 52 FT OF WLY 592.51 FT OF ELY 1543.21 FT & TRGLR PAR OF NE 1/4 K/A TRS N, O, P & Z IN OR3441P401 (LESS NLY 42.5 FT OF WLY 20 FT OF ELY 938.65 FT, BLDG PARS 1 THRU 3 AS IN OR9048P473 & ELY 75 FT MILITARY TRL R/W)
9	TENET GOOD SAMARITAN INC	Good Samaritan Med Ctr	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/WS), 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/WS) & 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/WS)
10	PALM BEACH GARDENS COMMUNITY HOSPITAL IN	Palm Beach Gardens Med Ctr	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 MARYS 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

**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 INTERLOCAL AGREEMENT RELATING TO THE LOCAL PROVIDER PARTICIPATION FUND** (“Agreement”) is made and entered into on the 10th day of September, 2021 (“Effective Date”), 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”.

**WHEREAS**, Section 163.01, Florida Statutes, known as the Florida Interlocal Cooperation Act of 1969 authorizes local governments to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population, and other factors influencing the needs and development of local communities; exercising jointly any power, privilege or authority which such agencies share in common and which each might exercise separately; and

**WHEREAS**, The State of Florida received federal authority to establish the Statewide Medicaid Managed Care hospital-directed payment program (“DPP”) to offset hospitals’ Medicaid shortfall and improve quality of care provided to Florida’s Medicaid population; and;

**WHEREAS**, impacted hospitals asked Palm Beach County to enact an ordinance imposing a special assessment on certain real property owned or leased by thirteen (13) private for-profit and not-for-profit hospitals (“Hospitals”) to help finance the non-federal share of the State’s Medicaid program, and the funds raised by the County assessment will, through intergovernmental transfers (“IGTs”) provided consistent with federal guidelines, support additional funding for Medicaid payments to hospitals to address the Medicaid shortfall; and

**WHEREAS**, the Board of County Commissioners adopted the Palm Beach County Local Provider Participation Fund Ordinance on August 26, 2021 (“Ordinance”) for the purpose of assessing the real property sites of Hospitals (“Assessed Properties”) under the authority of the Florida Constitution, Article VIII, Section 1(g), Section 125.01, Florida Statutes, and the Palm Beach County Charter; and

**WHEREAS**, pursuant to section 125.01(r), Florida Statutes, the County is authorized to create a non-ad valorem special assessment (“Assessment”) that shall be imposed, levied, collected, and enforced against Assessed Property to fund the non-federal share of Medicaid payments benefitting hospitals providing local services in the County; and

**WHEREAS**, the Assessment rate set forth in the Non-Ad Valorem Assessment Roll which shall be levied against the Assessed Properties is an amount equal to 0.25% of the gross patient revenue; and

**WHEREAS**, Assessments for the Assessed Properties 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, and as provided to the COUNTY and the DISTRICT by the Hospitals; and

**WHEREAS**, the COUNTY desires to duly authorize the DISTRICT to act on the COUNTY's behalf as the Assessment Coordinator to administer the Assessment pursuant to the Ordinance, which is incorporated herein by reference.

**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:

**SECTION 1. INCORPORATION OF FACTS**

The Parties agree that the foregoing recitals are true and correct and are incorporated herein by reference.

**SECTION 2. PURPOSE**

The purpose of this Agreement is to establish the Parties' rights and obligations regarding the administration of the Assessment pursuant to the Ordinance.

**SECTION 3. REPRESENTATIVE AND CONTRACT MONITOR**

The District's representative and contract monitor during the performance of this Agreement will be Darcy J. Davis, CEO, whose telephone number is 561-804-5885. The County's representative and contract monitor during the performance of this Agreement will be Nancy L. Bolton, Assistant County Administrator, whose telephone number is 561-355-3838. Each may be referred to in this Agreement as a "Contract Monitor".

**SECTION 4. SERVICES TO BE PROVIDED**

- A. The COUNTY shall adopt an Annual Assessment Resolution by October 1<sup>st</sup> of each year, if conditions are met by the Hospitals as set forth in the Ordinance, which shall:
1. Describe the Medicaid payments proposed for funding from proceeds of the Assessment.
  2. Describe the benefits to the Assessed Properties associated with the Assessment.
  3. Describe the methodology for computing the assessed amounts.
  4. Describe the method of collection, and how and when the Assessment is to be paid.
  5. Set the rate of the Assessment to be imposed.
  6. Approve the Non-Ad Valorem Assessment Roll, with such amendments as it deems just and right.
  7. Affirm the method of collection.
  8. Deliver the Non-Ad Valorem Assessment Roll to the DISTRICT.
  9. Revise or modify the Non-Ad Valorem Assessment Roll during the fiscal year to amend the rate if necessary.
  10. Adopt an Annual Final Assessment Resolution during the Fiscal Year to memorialize the final rate applicable for the Fiscal Year.
- B. The DISTRICT shall provide the following services ("Services") to the COUNTY:

1. Act as the “Assessment Coordinator” as that term is defined in the Ordinance, to administer the Assessment imposed pursuant to the Ordinance.
2. Establish and hold funds generated by the Assessment in a separate account called the Local Provider Participation Fund (“LPPF Fund”), which shall be used exclusively for the purpose of:
  - a. Providing to the Florida Agency for Health Care Administration (“AHCA”) the non-federal share for Medicaid payments to be made directly or indirectly in support of all hospitals in the County serving Medicaid beneficiaries, and
  - b. Reimbursing DISTRICT and COUNTY for administrative costs (in an amount not-to-exceed \$300,000) associated with the implementation of the Assessment authorized by the Ordinance, as further specified by the Assessment Resolution
3. Transfer the funds to AHCA pursuant to the terms of a letter of agreement (“LOA”) to be entered into between the DISTRICT and AHCA.
4. Appoint an Assessment Coordinator to administer the Assessment as follows:
  - a. Prepare or direct the preparation of the Non-Ad Valorem Assessment Roll, which shall contain the following:
    - i. The names of the Assessed Properties
    - ii. The Assessment rate and amount of the Assessment to be imposed against each Assessed Property based on the Assessment Resolution
  - b. Retain the Non-Ad-Valorem Assessment Roll in a manner that shall be open for public inspection
  - c. Except for Fiscal Year 2022, upon completion of the Non-Ad Valorem Assessment Roll, publish once in a newspaper of general circulation within the County a notice stating that the COUNTY, at a regular, adjourned, or special meeting on a specified day and hour (“Meeting”), not earlier than 20 calendar days from such publication (“Hearing”), will hear objections of all interested persons to approve the aforementioned Non-Ad-Valorem Assessment Roll. Such notice will include:
    - i. The Assessment rate
    - ii. The procedure for objecting to the Assessment rate
    - iii. The method by which the Assessment will be collected
    - iv. A statement that the Non-Ad Valorem Special Assessment Roll is available for inspection at the Office of the Assessment Coordinator
  - d. For the first fiscal year in which the Assessment is imposed by the COUNTY against Assessed Properties, provide notice of the proposed Assessment by first class mail to the Assessed Properties, which shall include:
    - i. The purpose of the Assessment;
    - ii. The Assessment rate to be levied against each Assessed Property
    - iii. The unit of measurement applied to determine the Assessment
    - iv. A statement that failure to pay the Assessment will cause a tax certificate to be issued against the property or result in foreclosure proceedings, either of which may result in a loss of title to the property
    - v. A statement that all affected and/or interest Parties have a right to appear at the Hearing and to file written objections with the COUNTY within 20 days of the notice
    - vi. The date, time and place of the Hearing
  - e. Collect the Assessment pursuant to the Assessment Resolution
  - f. Deliver Assessments to the Florida Agency for Health Care Administration (AHCA)
  - g. Make any appropriate refunds to the Assessed Properties in proportion to amounts paid during the first Fiscal Year for all or a portion of the unutilized LPPF Fund or allow such

unutilized LPPF Fund amount to remain in a non-interest-bearing account and be rolled-over and applied towards subsequent year Assessments.

**SECTION 5. ADMINISTRATION**

This Agreement is a contract for the provision of Services as authorized by Section 163.01, Florida Statutes, and shall not in any way or manner whatsoever be deemed to constitute a transfer of power.

**SECTION 6. DISTRICT RESPONSIBILITY**

The DISTRICT agrees to administer the Assessment as outlined in this Agreement and in accordance with the Ordinance and applicable Federal, State, and local laws and regulations.

**SECTION 7. ADMINISTRATIVE FEE TO THE DISTRICT**

To offset the financial burden of the administration of the Assessment, the DISTRICT may bill an amount not-to-exceed \$300,000. The Parties acknowledge that payment for past services related to consultants, experts, legal fees, and others, and payment for future Services shall be paid out of the funds generated from the Assessment, within the not-to-exceed amount contained in the Ordinance, and on a reimbursement basis for costs actually expended.

Upon COUNTY'S request at any time, DISTRICT shall permit COUNTY to conduct an audit at its sole expense of the relevant books and records pertaining to any such payments.

**SECTION 8. TERM**

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

**SECTION 9. DEFAULT AND OPPORTUNITY TO CURE**

If the DISTRICT defaults in any of its material obligations under this Agreement, which shall be defined as a repeated failure to provide the required level of service, then, in that event, the COUNTY shall provide notice of default to the DISTRICT and afford the DISTRICT a period of (90) days to cure such default (if such default is curable); provided, however, that if the default in question cannot be cured within such ninety (90) day period, then the DISTRICT shall be afforded such additional time as shall be reasonably required to cure such default, provided the DISTRICT has commenced such cure and diligently pursues same to completion.

If the DISTRICT is in default hereunder beyond the expiration of the applicable cure period stated above, the COUNTY shall have the right, but not the obligation, to cure such default, in which event the DISTRICT shall immediately reimburse the COUNTY for all sums paid to affect such cure, provided such sums do not exceed amounts paid to the DISTRICT under this Agreement. In the event that the default cannot be, or is not, cured by COUNTY, this Agreement shall terminate at the expiration of said applicable cure period.

The provisions of this section do not abrogate the termination without cause provision provided in Section 9, above.

**SECTION 10. RELATIONSHIP OF THE PARTIES**

This Agreement does not and shall not be construed to make any officer, agent or employee of the COUNTY an officer, agent or employee of the DISTRICT for any purpose whatsoever, nor any officer, agent or employee of the DISTRICT an officer, agent or employee of the COUNTY for any purpose whatsoever. Neither Party is authorized to make or enter into any contract, agreement, or warranty for or on behalf of the other Party.

**SECTION 11. FILING**

A copy of this Agreement shall be filed with the Clerk of the Circuit Court in and for Palm Beach County.

**SECTION 12. HOLD HARMLESS**

Without waiving each Party's sovereign immunity and subject to the limitations set forth in Florida Statutes, Section 768.28, each Party shall be liable for its own actions and negligence.

The Parties acknowledge that they have not independently verified the accuracy of the Assessment and that the Parties have solely relied on information provided by the Hospitals. Accordingly, the Parties agree to exercise commercially reasonable efforts to ensure that each Party is held harmless against any alleged violations brought by any of the Hospitals concerning the Assessment, the Services, or others matters that may fall within the scope of this Agreement. The Parties also agree to reasonably cooperate with one another to protect against any such potential claims by the Hospitals, its employees or agents.

**SECTION 13. FORCE MAJEURE**

Except as otherwise provided in this Agreement, the Parties shall not be deemed in default or in breach of this Agreement to the extent a party is unable to perform due to an event of Force Majeure. For the purpose of this Agreement, Force Majeure shall mean and include any act of God, accident, epidemic, pandemic, fire, lockout, strike or other labor dispute, riot or civil commotion, act of a public enemy, failure of transportation facilities, enactment rule, order, or act of government or governmental instrumentality (whether domestic or international and whether federal, state or local, or the international equivalent thereof), failure of technical facilities, or any other cause of any nature whatsoever beyond the control of the party which was not avoidable in the exercise of reasonable care and foresight. In the event of any such inability to perform, the other party shall have the right to undertake such actions as may be necessary and prudent to insure the continuation of medical services provided herein.

**SECTION 14. ENFORCEMENT COSTS**

Any costs or expenses (including reasonable attorney's fees) associated with the enforcement of the terms and conditions of this Agreement shall be borne by the respective Parties; provided, however, that this clause pertains only to the Parties to this Agreement.

**SECTION 15. NOTICE**

All notices required to be given under this Agreement shall be in writing, and deemed sufficient to each Party when sent by certified mail, return receipt requested, to the following:

As to the District:

As to the County:

With a copy to:  
Legal Counsel  
Health Care District of Palm Beach County  
1515 N. Flagler Drive, Suite 101  
West Palm Beach, FL 33401

With a copy to:  
County Attorney  
301 N. Olive Ave, Ste 601  
West Palm Beach, FL 33401

#### **SECTION 16. REMEDIES**

This Agreement shall be construed by and governed by the laws of the State of Florida. Any and all legal action necessary to enforce this Agreement shall be held in a State court of competent jurisdiction located in Palm Beach County, Florida. No remedy herein conferred upon any party is intended to be exclusive of any other remedy and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

No provision of this Agreement is intended to or shall be construed to create any third party beneficiary or to provide any rights to any person or entity not a party to this Agreement, including but not limited to the Hospitals or its employees or agents, or any citizen or employees of the COUNTY and/or the DISTRICT.

#### **SECTION 17. JOINT PREPARATION**

The preparation of this Agreement has been a joint effort of the Parties, and the resulting document shall not, solely as a matter of judicial constraint, be construed more severely against one of the Parties than the other.

#### **SECTION 18. EQUAL OPPORTUNITY**

The COUNTY and DISTRICT each warrant and represent that all of their employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, gender identity or expression, or genetic information. The County and District each further represent and warrant that no person shall, on the grounds of race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, gender identity or expression, or genetic information, be excluded from the benefits of, or be subject to any form of discrimination under, any activity carried out in the performance of this Agreement.

#### **SECTION 19. CAPTIONS**

The captions and section designations herein set forth are for convenience only and shall have no substantive meaning.

#### **SECTION 20. SEVERABILITY**



In the event that any section, paragraph, sentence, clause, or provision hereof is held invalid by a court of competent jurisdiction, such holding shall not affect the remaining portions of this Agreement and the same shall remain in full force and effect.

**SECTION 21. ENTIRETY OF AGREEMENT**

This Agreement represents the entire understanding between the Parties, and supersedes all other negotiations, representations, or agreements, either written or oral, relating to this Agreement. This Agreement shall inure to the benefit of and shall be binding upon the Parties, their respective assigns and successors in interest.

**SECTION 22. AVAILABILITY OF FUNDS**

Each Party's performance and obligation to pay under this Agreement is contingent upon an annual budgetary appropriation by its respective governing body for each fiscal year.

**SECTION 23. DELEGATION OF AUTHORITY**

Nothing contained herein shall be deemed to authorize the delegation of the constitutional or statutory duties of either Party or their respective officers and/or employees.

**SECTION 24. ASSIGNMENT OF RIGHTS**

Neither Party shall assign, delegate, convey or otherwise transfer in whole or in part, its rights, duties or obligations as set forth in this Agreement to any other entity without the prior written consent of the other Party.

**SECTION 25. COMPLIANCE**

Each Party agrees to perform its obligations under this Agreement in conformance with all applicable laws, regulations and administrative instructions that relate to the Parties' respective performance of this Agreement, including, without limitation, the HIPAA Regulations and other applicable federal and state laws protecting the confidentiality of patient information and medical records, the Federal Anti-Kickback Statute, the Stark Law, and Medicare and Medicaid program requirements. In the event that either Party becomes aware of a possible violation of law, regulation or administrative instruction that might affect the validity or legality of the Services provided under this Agreement and/or the DISTRICT's right to payment for said Services, such Party shall immediately notify the other Party and the Parties shall meet to discuss appropriate corrective action, if any. In the event either Party becomes aware that any investigation, audit or proceeding has been initiated with respect to any of the Services provided hereunder or payment for said Services, such Party shall immediately notify the other Party.

**SECTION 26. ACCESS AND AUDITS**

The DISTRICT shall maintain adequate records to account for the receipt and disbursements of the LPPF Fund for at least five (5) years after completion or termination of this Agreement, or as required by law if longer. To the extent permitted by the HIPAA Regulations and any other applicable laws and regulations, each Party shall have access to other Party's records for the purpose of inspection or audit during normal business hours, at the other Party's place of business.

**SECTION 27. OFFICE OF THE INSPECTOR GENERAL**

The COUNTY has established the Office of the Inspector General in Palm Beach County Code, Section 2-421 - 2-440, as may be amended. The Inspector General's authority includes but is not limited to the power to review past, present and proposed COUNTY contracts, transactions, accounts and records, to require the production of records, and to audit, investigate, monitor, and inspect the activities of the DISTRICT, its officers, agents, employees, students, and lobbyists in order to ensure compliance with contract requirements and detect corruption and fraud.

Failure to cooperate with the Inspector General or interfering with or impeding any investigation shall be in violation of Palm Beach County Code, Section 2-421 - 2-440, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second-degree misdemeanor.

**SECTION 28. PUBLIC RECORDS**

The COUNTY and the DISTRICT shall maintain records associated with this Agreement, including, but not limited to all accounts, financial and technical records, research or reports in accordance with Florida's public records law and any other applicable law, including the HIPAA Regulations and any other applicable laws and regulations relating to confidentiality of patient records.

The DISTRICT and the COUNTY shall maintain adequate records relating to this Agreement for at least five (5) years after completion of this Agreement, or as required by law if longer. To the extent permitted by law, each party shall have access to other party's books, records, and documents as required in this section for the purpose of inspection or audit during normal business hours, at the other party's place of business.

**SECTION 29. CONFLICT RESOLUTION**

Any dispute or conflict between the Parties that arises from the provision of services under this Agreement shall be presented in writing to the respective Contract Monitors. The Contract Monitors shall then meet to discuss the disputed issues and attempt in good faith to resolve the dispute or conflict.

**[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]**

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 Court & Comptroller

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

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

By: \_\_\_\_\_  
Dave Kerner, Mayor

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

APPROVED AS TO TERMS  
AND CONDITIONS

By: M. J. Herman  
County Attorney  
for Helene Hvizd

By: Nancy J. Bolton  
Nancy Bolton, Assistant County Administrator

HEALTH CARE DISTRICT OF PALM BEACH  
COUNTY

DocuSigned by:  
By: Darcy J. Davis  
77A3B53589A1477...  
Darcy J. Davis  
Chief Executive Officer

APPROVED AS TO FORM AND LEGAL  
SUFFICIENCY

DocuSigned by:  
By: Bernabe Icaza  
0290C6C02014479...  
General Counsel  
Health Care District of Palm Beach County