

34-3

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: October 20, 2026

☐ Consent ☒ Regular
☐ Workshop ☐ Public Hearing

Department: Office of Financial Management and Budget (OFMB)

I. EXECUTIVE BRIEF

Motion and Title: Staff recommend motion to receive and file: an Agreement between Palm Beach County (County) and the Health Care District of Palm Beach County (District) for the transfer and mutual release of the Palm Beach County Local Provider Participation Fund (LPPF) funds.

Summary: On September 15, 2026, the Board of County Commissioners (BCC) delegated authority to the County Administrator to execute an agreement with the Health Care District of Palm Beach County (District) retroactive to September 10, 2026, to transfer the remaining \$58,794,034 in the LPPF Ordinance program to the County. The agreement has been fully executed on behalf of the BCC by the County Administrator. OFMB is now submitting the agreement in accordance with PPM CW-O-051, which requires all delegated agreements to be submitted by the initiating department to the BCC as a receive and file agenda item. This Agreement includes non-standard indemnification provisions that differ from those adopted for use by the County under PPM #CW-F-049 and a mutual waiver of remedies with respect to the amount remaining in the LPPF and transferred to the County. The Risk Management Department and County Attorney's Office have reviewed the non-standard provisions and advised staff accordingly. Given that: 1) the OFMB had the opportunity to inspect the District's books and records with respect to the remaining amount and confirmed the correctness of the amount, 2) each participating hospital has executed a waiver of the application or enforcement of the LPPF ordinance and 3) the limitation of Section 768.28, Florida Statutes, staff is recommending the BCC receive and file. Countywide (RS)

Background and Justification: On August 26, 2021, the BCC adopted the LPPF Ordinance (R2021-024) which provides non-ad valorem special assessments to be imposed by the County on all nonpublic hospitals within the County's jurisdiction (the Hospitals). The LPPF Ordinance requires the assessed hospitals to pay a uniform, non-ad valorem special assessment, set annually by resolution approved by the BCC. Funds collected through the LPPF assessment are sent 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) to fund increased payments by MCOs to the local hospitals to provide services to Medicaid patients. Through an interlocal agreement, the District provided administrative oversight of the LPPF on behalf of the County since 2021. The Agreement expired September 10, 2026, and the County has assumed administrative oversight. The District will transfer to the County unutilized LPPF funds totaling \$58,794,034 to be used for this year's assessment.

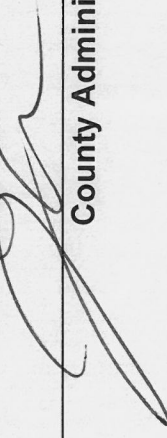
Attachments:

1. Executed Transfer of LPPF Fund Agreement and Mutual Release

Recommended by:

 9/25/2026
Department Director Date

Approved by:

 10-2-20
County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five-Year Summary of Fiscal Impact:

Fiscal Years	2027	2028	2029	2030	2031
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT					
#ADDITIONAL FTE					
POSITIONS (CUMULATIVE)					

- Is item included in Current Budget? Yes ☐ No ☒
- Is this item using Federal Funds? Yes ☐ No ☒
- Is this item using State Funds? Yes ☐ No ☒

Budget Account No.: Fund _____ Department _____ Unit _____ RevSc _____

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

C. Departmental Fiscal Review:

III. REVIEW COMMENTS

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

ASDC 9/25/26 Mandi Macell 9/25/26
059125 OFMB Q2526 Contract Dev. and Control 269.05.26

B. Legal Sufficiency:

[Signature] 9/28/26
Assistant County Attorney

C. Other Department Review:

N/A
Department Director

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

TRANSFER OF LPPF FUND AGREEMENT AND MUTUAL RELEASE

This Transfer of LPPF Fund Agreement and Mutual Release (“Agreement”) is made and entered into September 10, 2026, effective the Effective Date below, by and between Palm Beach County, a political subdivision of the State of Florida (“COUNTY”), and the Health Care District of Palm Beach County, a political subdivision of the State of Florida (“DISTRICT” or “HCD”) (each referred to as a “Party” and collectively referred to as the “Parties”).

RECITALS

WHEREAS, the parties entered into an Interlocal Agreement (R2021-1369) (“Interlocal Agreement”), effective on September 10, 2021, 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 (“LPPF 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) (“First Amendment”) 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) (“Second Amendment”) on September 12, 2023, to exercise the second renewal option; and

WHEREAS, the Parties entered into a Third Amendment to the Interlocal Agreement (R2024-1153) (“Third Amendment”) on September 17, 2024, to exercise the third renewal option; and

WHEREAS, the Parties entered into a Fourth Amendment to the Interlocal Agreement (R2025-0881) (“Fourth Amendment”) on July 2, 2025, to exercise the fourth and final renewal option;

WHEREAS, the Interlocal Agreement, as amended, expired on September 9, 2026;

WHEREAS, the Interlocal Agreement did not address the transfer of the LPPF Fund upon the agreement’s expiration;

WHEREAS, the COUNTY has elected to exercise its discretion pursuant to section 2-43 of the Palm Beach County Code, as it may be amended, to direct the DISTRICT to transfer the LPPF Fund to the COUNTY instead of refunding the Assessed Properties;

WHEREAS, effective on the date of the transfer of the LPPF Fund by the DISTRICT to the COUNTY, the COUNTY shall assume all responsibility for managing and administering the LPPF Fund in accordance with applicable laws, regulations or county ordinances; and

WHEREAS, this Agreement will govern the transfer of the LPPF Fund and mutual release of claims related to such transfer and the amount remaining in the LPPF Fund.

NOW THEREFORE, with the intent to be legally bound hereby, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

The foregoing recitals are true and correct and incorporated herein by reference.

1. **Transfer of LPPF Fund and Hold Harmless.** The DISTRICT shall transfer at the County's direction, and the COUNTY agrees to receive, via wire the amounts remaining as the unutilized LPPF Fund of **Fifty-Eight Million, Seven Hundred Ninety-Four Thousand, Thirty-Four dollars (\$58,794,034.00)** (the "Remaining Amount"). The Parties agree to exercise commercially reasonable efforts to ensure that each Party is held harmless against: 1) any alleged violations brought by any third party concerning the Remaining Amount; or 2) any claims by a third party based on the DISTRICT following the COUNTY's direction to release the Remaining Amount to the COUNTY. The Parties also agree to reasonably cooperate with one another to protect against any such potential claims by any third party, including the assessed hospitals, their employees or agents, and any state or federal government.

2. **COUNTY's Authority to Inspect the DISTRICT's Books and Records.** The COUNTY is permitted to conduct an audit of the DISTRICT's books and records related to its management of the Remaining Amount. The COUNTY agrees that it has had the opportunity to independently audit and verify the Remaining Amount is correct and that there are no discrepancies.

3. **Mutual Releases.** The Parties do hereby remise, release, and forever discharge, and by these presents, do for their heirs, affiliates, agents, partnerships, servants, employees, representatives, parents, attorneys, predecessors, successors, and any other related or affiliated entities, remise, release, and forever discharge each of the other Parties and their respective past, present, and future insurers, reinsurers, agents, consultants, lawyers, employees, successors, officers, directors, and any and all other persons, firms, or corporations with whom any of the former have been, are now, or hereafter may be affiliated, together with any and all other persons, firms or corporations, of and from any and all past, present, or future claims, demands, obligations, actions, causes of action, liens, rights, damages, costs, expenses, and compensation of any nature whatsoever, whether based on a tort, contract or other theory of recovery, and whether for compensatory or punitive damages, which the Parties now have, or which may hereafter accrue or otherwise be acquired related to the Remaining Amount.

Notwithstanding the foregoing, nothing herein shall constitute a waiver of sovereign immunity beyond the limits set forth in F.S. 768.28, nor shall the same be construed to constitute agreement by either party to indemnify the other party for such other party's negligent, willful or intentional acts or omissions. Each Party shall be liable for its own actions and negligence.

4. **Effective Date.** The Effective Date of this Agreement shall be September 10, 2026.

5. **Counterparts/Facsimile Signatures.** This Agreement may be executed in any

number of counterparts, each of which when duly executed and delivered shall be an original, but all such counterparts shall constitute one and the same agreement. Any signature page of the Agreement may be detached from any counterpart without impairing the legal effect of any signatures, and may be attached to another counterpart, identical in form, but having attached to it one or more additional signature pages.

6. Reliance on Own Judgment. The Parties acknowledge herein that they have relied wholly upon their own judgment, belief and knowledge as to the nature, extent and duration of the issues, claims, defenses, rights and obligations, and causes of action, released herein, and have not been influenced to any extent whatsoever in making this Agreement by any representations or statements made by persons, firms, or corporations who are hereby released, or by any person or persons representing them.

7. Authority to Execute. In making this Agreement, each of the Parties covenant and warrant, which representations, covenants and warranties shall survive the execution of this Agreement, that:

- a. They have all the required power, capacity and authority to enter into and execute this Agreement, including the releases provided herein;
- b. The execution of this Agreement is and was free and voluntary;
- c. All recitals herein are true and correct; and
- d. They have not assigned or transferred to any person any matter released under this Agreement or any part or portion of any matter released under this Agreement.

8. Legal Representation. The Parties each acknowledge that they were fully and competently represented by legal counsel of their own choosing in negotiating and preparing this Agreement and certify to all others that they have had the opportunity to consult an attorney, and appreciate the legal significance and consequences of signing this Agreement as set forth herein. Therefore, the rule regarding construing ambiguities against the drafter of the agreement does not apply as it relates to this Agreement. Each of the Parties hereto has contributed equally to the drafting of this Agreement. Other than the recitals, each of the terms of this Agreement is contractual, not a mere recital, and is the result of even-handed negotiations among and between the Parties.

9. Entire Agreement; No Waiver. This Agreement constitutes the entire understanding between the Parties relating to the subject matter contained herein and supersedes all prior or contemporaneous agreements, representations and understanding of the Parties. No waiver of any of the provisions of this Agreement shall be deemed, nor shall such waiver constitute, a waiver of any other provision, whether or not similar, nor shall an amendment of this Agreement be binding unless executed in writing by all the Parties. The Parties expressly agree that the provisions of this section precluding modification of this Agreement may not be waived orally or by course of conduct, notwithstanding any law to the contrary.

10. Partial Invalidity. If any term of this Agreement or the application of any term of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable,

all provisions, covenants and conditions of this Agreement, and all of its applications, not held invalid, void or unenforceable, shall continue in full force and effect and shall not be affected, impaired or invalidated in any way.

11. **Captions.** The captions appearing at the commencement of the sections of this Agreement are descriptive only and for convenience and shall not define, limit, or describe the scope or intent of this Agreement, nor in any way affect this Agreement.

12. **Governing Law.** This Agreement shall be governed by the laws of the State of Florida, and the venue and jurisdiction for any action to enforce this Agreement shall be in the County or Circuit Court in and for Palm Beach County, Florida.

13. **Plural / Singular; Masculine / Feminine.** Whenever and wherever the context of this Agreement requires, any references to the singular shall be read, construed, and interpreted to mean the plural and vice-versa; any reference to the masculine gender shall be read, construed and interpreted to mean the feminine gender and vice-versa; and any references to the neuter gender shall be read, construed and interpreted to mean the masculine or feminine gender and vice-versa, whichever is applicable.

14. **Palm Beach County Office of the Inspector General.** Pursuant to Palm Beach County Code, Sections 2-421 through 2-440, as amended, Palm Beach County's Office of Inspector General is authorized to have the power to review past, present and proposed Palm Beach County contracts, transactions, accounts and records. The Inspector General's authority includes, but is not limited to, the power to audit, investigate, monitor, and inspect the activities of entities contracting with Palm Beach County, or anyone acting on their behalf, in order to ensure compliance with contract requirements and to detect corruption and fraud. Failure to cooperate with the Inspector General or interfering with or impeding any investigation shall be a violation of Palm Beach County Code, Section 2-421 through 2-440, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.

15. **Public Records.** Notwithstanding anything contained herein, as provided under Section 119.0701, F.S., both Parties to this Agreement shall comply with the requirements of Section 119.0701, F.S., as it may be amended from time to time. The Parties are specifically required to keep and maintain public records required by law.

IF THE DISTRICT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE DISTRICT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, PLEASE CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT RECORDS REQUEST, PALM BEACH COUNTY PUBLIC AFFAIRS DEPARTMENT, 301 N. OLIVE AVENUE, WEST PALM BEACH, FL 33401, BY E-MAIL AT RECORDSREQUEST@PBCGOV.ORG OR BY TELEPHONE AT 561-355-6680.

IF THE COUNTY HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE

COUNTY'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS OR DESIGNEE AT HEALTH CARE DISTRICT OF PALM BEACH COUNTY, AT (561) 642-1022, RECORDSCUSTODIAN@HCDPBC.ORG, 1515 N. FLAGLER DRIVE, SUITE 101, WEST PALM BEACH, FL 33401

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IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Agreement to be effective as of the Effective Date.

WITNESSES:

HEALTH CARE DISTRICT OF PALM BEACH
COUNTY

Kelley Anderson
Print Name: Kelley Anderson

By: Darcy J. Davis
Print Name: Darcy J. Davis

Sarahi Ruiz
Print Name: Sarahi Ruiz

Title: Chief Executive Officer
Date: 9-14-24

ATTEST:
SHANNON RAMSEY-CHESSMAN
CLERK of the CIRCUIT COURT
& COMPTROLLER AD INTERIM

By: Shannon Ramsey-Chessman
Deputy Clerk

PALM BEACH COUNTY, BY ITS
BOARD OF COUNTY
COMMISSIONERS

By: [Signature]
County Administrator



(SEAL)

APPROVED AS TO FORM AND TO
LEGAL SUFFICIENCY

By: [Signature]
County Attorney

APPROVED AS TO TERMS AND
CONDITIONS

By: [Signature]
Director of Office of Financial Management &
Budget (OFMB)