PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: November 17, 2026 ☐ **Consent** ☐ **Regular** ☐ **Workshop** ☒ **Public Hearing**

Department: Office of Financial Management and Budget

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I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to adopt: AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AMENDING CHAPTER 2, ARTICLE III, OF THE PALM BEACH COUNTY CODE, PERTAINING TO THE PALM BEACH COUNTY LOCAL PROVIDER PARTICIPATION FUND ORDINANCE; PROVIDING FOR THE SAME; PROVIDING FOR REPEAL OF LAWS IN CONFLICT; PROVIDING FOR SAVINGS CLAUSE; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE OF LAWS AND ORDINANCES; PROVIDING FOR CAPTIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

Summary: An Amendment to the Local Provider Participation Fund (LPPF) Ordinance is necessary to replace individual references to each hospital with a single reference to Institutional Health Care Providers which are defined as licensed private for-profit or not-for-profit hospital providers that provides inpatient hospital services, unless the Centers for Medicare and Medicaid Services (CMS) exempts the hospital through an approved or pending health care tax waiver. This change will remove the need to amend the ordinance every time a new hospital subject to the assessment is added. Additionally, the Amendment makes other clarifying and technical corrections to ensure the proper application and operation of the LPPF Ordinance. **Countywide (RS)**

Background and Policy Issues: Continued on page 3.

Attachments:
1. Proposed LPPF Ordinance: Strike-through Version
2. Proposed LPPF Ordinance: Clean Version
3. Proof of Publication

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Recommended by: _____
Department Director **Date**

Approved by: _____
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:

N/A

C. Departmental Fiscal Review:

_____

III. REVIEW COMMENTS

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

_____ _____
OFMB **Contract Dev. and Control**

B. Legal Sufficiency:

_____
Assistant County Attorney

C. Other Department Review:

N/A
Department Director

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

Background and Policy Issues (continued from page 1): Hospitals in Palm Beach County (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. CMS Medicaid managed care regulations under 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 non-ad valorem assessments to be levied on each participating hospital in the County, as described in the LPPF Ordinance.

At the request of impacted hospitals, the Board of County Commissioners (BCC) adopted the LPPF Ordinance (R2021-024) on August 26, 2021, providing for 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 Hospitals to pay a uniform, non-ad valorem special assessment, set annually by resolution approved by the BCC. Funds collected through the LPPF Ordinance assessments are sent to the Florida Agency for Health Care Administration (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 by 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.

ORDINANCE NO. 2026-

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AMENDING CHAPTER 2, ARTICLE III, OF THE PALM BEACH COUNTY CODE, PERTAINING TO THE PALM BEACH COUNTY LOCAL PROVIDER PARTICIPATION FUND ORDINANE; PROVIDING FOR THE SAME; PROVIDING FOR REPEAL OF LAWS IN CONFLICT; PROVIDING FOR SAVINGS CLAUSE; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE OF LAWS AND ORDINANCES; PROVIDING FOR CAPTIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on August 26, 2021, the Palm Beach County Board of County Commissioners (BCC) adopted the Palm Beach County Local Provider Participation Fund (LPPF) Ordinance (R2021-024), providing for a non-ad valorem special assessment to be imposed by the County on all nonpublic hospitals within Palm Beach County's jurisdiction (Hospitals); and

WHEREAS, Hospitals annually provide millions of dollars of uncompensated care to persons who qualify for Medicaid because Medicaid, on average, covers only 60% of the costs of the health care services actually provided by Hospitals to Medicaid-eligible persons, leaving hospitals with significant uncompensated costs ("Medicaid shortfall"); 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 the Hospitals to help finance the non-federal share of the State's Medicaid program, in exchange for which each Hospital agreed to indemnify the County for any and all liability of any kind resulting from enactment, application, or enforcement of this Ordinance, or agreed not to object to or challenge the enactment, application, or enforcement of the Ordinance and Resolution in any administrative or legal action; and

WHEREAS, on July 2, 2021, the BCC amended R2021-024 with an emergency ordinance (2025-017) to add three newly licensed nonpublic hospitals within Palm Beach County to section 2-43(b) of the Palm Beach County Code of Ordinances.

WHEREAS, the LPPF Ordinance must be amended to replace individual references to each Hospital subject to the ordinance with a single reference to "Institutional Health Care Providers"

which are defined as “licensed private for-profit or not-for-profit hospital providers that provides inpatient hospital services, unless the Centers for Medicaid Services (CMS) exempts the hospital through an approved or pending health care tax waiver”; and

WHEREAS, the LPPF Ordinance must be amended to make other clarifying and technical corrections to ensure the proper application and operation of the LPPF Ordinance;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:

SECTION 1. PALM BEACH COUNTY LOCAL PROVIDER PARTICIPATION FUND ORDINANCE. Section 2-43 of the Palm Beach County Code is hereby amended to read as follows:

(a) *Title*. This Section shall be titled the Palm Beach County Local Provider Participation Fund Ordinance.

(b) *Applicability*. This Section shall be applicable to the Institutional Health Care Providers as defined in subsection (c). ~~following properties where all nonpublic hospitals in the County are located:~~

~~Bethesda Hospital East, 2815 S. Seacrest Blvd., Boynton Beach, Florida 33435~~

~~Boca Raton Regional Hospital, 800 Meadows Rd., Boca Raton, Florida 33486~~

~~Delray Medical Center, 5352 Linton Blvd., Delray Beach, Florida 33484~~

~~Good Samaritan Medical Center, 1309 N. Flagler Dr., West Palm Beach, Florida 33401~~

~~JFK Medical Center, 5301 S. Congress Ave., Atlantis, Florida 33462~~

~~Jupiter Medical Center, 1210 S. Old Dixie Hwy., Jupiter, Florida 33458~~

~~Kindred Hospital The Palm Beaches, 5555 W. Blue Heron Blvd., Riviera Beach, Florida 33418~~

~~Palm Beach Gardens Medical Center, 3360 Burns Rd., Palm Beach Gardens, Florida 33410~~

~~Palms West Hospital, 13001 Southern Blvd., Loxahatchee, Florida 33470~~

~~Select Specialty Hospital – Palm Beach, 3060 Melaleuca Lane, Lake Worth, Florida 33461~~

~~St. Mary's Medical Center, 901 45th St., West Palm Beach, Florida 33407~~

~~Wellington Regional Medical Center, 10101 Forest Hill Blvd., Wellington, Florida 33414~~

~~West Boca Medical Center, 21644 State Rd. 7, Boca Raton, Florida 33428~~

~~NeuroBehavioral Hospitals of the Palm Beaches North, 901 45th Street, West Palm Beach, FL 33407~~

~~NeuroBehavioral Hospitals of the Palm Beaches South, 4905 Park Ridge Blvd., Boynton Beach, FL 33426~~

~~PAM Rehabilitation Hospital of Jupiter, 5075 Innovation Way, Jupiter, FL 33458~~

(c) *Definitions*. As used in this Section, unless some other meaning is plainly intended:

Annual Final Assessment Resolution means the resolution that provides the final proceeding

for the imposition of an Assessment, and establishes the rate for the non-ad valorem assessment for a specific Fiscal Year.

Assessed Property means an Institutional Health Care Provider holding a right of possession and right of use to real property in the County 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 Institutional Health Care Providers located in the County limits to fund the non-federal share of Medicaid and Medicaid managed care payments directed to hospitals providing Local Services in the County.

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

Assessment Resolution means the resolution describing the Medicaid payments proposed for funding from proceeds of the assessment, benefits to the assessed property, and the methods of computation, payment, and collection of the Assessment.

Board means the Palm Beach County Board of County Commissioners.

Charter means the Charter of Palm Beach County, Florida.

Comptroller means the Palm Beach County Clerk of the Circuit Court and Comptroller, or other such person as may be duly authorized to act on such person's behalf.

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.

Institutional Health Care Provider means a licensed private for-profit or not-for-profit hospital that provides inpatient hospital services, unless the Centers for Medicare and Medicaid Services (CMS) exempts the hospital through an approved or pending health care tax waiver.

Local Services means the provision of inpatient and outpatient hospital services to Medicaid, indigent, and uninsured members of the Palm Beach County community.

Local Provider Participation Fund means a separate account into which funds collected from the Non-Ad Valorem assessment are deposited.

Medicaid payments mean funding received through the Directed Payment Program, and any other supplemental or managed care quality incentive program or arrangement authorized by CMS and expressly designated in an Assessment Resolution.

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.

(d) *Purpose*. The non-ad valorem special assessment authorized by this Section 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 ~~enhanced~~ Medicaid payments for Local Services. When imposed, the Assessment shall constitute a lien upon the Assessed Properties equal in rank and dignity with the liens of all state, county, district, or municipal taxes and other non-ad valorem assessments. Failure to pay may cause foreclosure proceedings to commence, which could result in loss of title. The Assessment shall be computed and assessed only in the manner provided in this Section.

(e) *Alternative method*. This Section shall be deemed to provide an additional and alternative method, as specified in F.S. § 197.3631, for the assessment and collection of the non-ad valorem special assessment described herein. The Section shall be regarded as supplemental and additional to powers conferred by other laws and shall not be regarded as in derogation of any powers now existing, or which may exist hereafter. This Section, being necessary for the health, safety, and welfare of the inhabitants of the County, shall be liberally construed to effect the purposes hereof.

(f) *Assessment*. Pursuant to F.S. § 125.01(r), the Board is authorized to create a non-ad valorem special assessment that shall be imposed, levied, collected, and enforced against Assessed Property to fund the non-federal share of Medicaid payments benefitting Assessed Properties providing Local Services in the County. Funds generated as a result of the Assessment shall

be held in a separate account called the Local Provider Participation Fund and shall be available to be used only to (1) provide to the Florida Agency for Health Care Administration the non-federal share for Medicaid payments to be made directly or indirectly in support of hospitals serving low income residents, including Medicaid beneficiaries and (2) reimburse the County for administrative costs associated with the implementation of the Assessment authorized by this Section, as further specified in the Assessment Resolution.

The ~~Assessment will be broad based, and the amount of the Assessment must be uniformly imposed on each Assessed Property~~Assessment must comport with federal and state requirements for health care-related assessments. The Assessment may not hold harmless any Institutional Health Care Provider, as required under 42 U.S.C. § 1396b(w). The Assessment shall constitute a lien upon the Assessed Properties equal in rank and dignity with the liens of all state, county, district, or municipal taxes and other non-ad valorem assessments.

Creation and implementation of the Assessment will not result in any additional pecuniary obligation on the County, Board, or County residents. The Assessment shall be imposed, levied, collected, and enforced against only Assessed Properties, and the Assessment Resolution shall provide that the County's administrative costs shall be reimbursed from the collected amounts. The County's administrative costs shall not exceed three hundred thousand dollars ($300,000.00). Any reasonable expenses the County incurs to collect delinquent assessments, including any attorney's fees incurred as a result of contracting with an attorney to represent the County in seeking and enforcing the collection of delinquent assessments, are not subject to the limitation on administrative costs.

(g) *Computation of assessment*. The annual Assessment shall be specified for each Assessed Property. The Board shall set the Assessment in amounts that in the aggregate will generate sufficient revenue to fund the non-federal share of Medicaid payments associated with Local Services to be funded by the Assessment.

The amount of the Assessment required of each Assessed Property may not exceed an amount that, when added to the amount of other required assessments, equals an amount of revenue that exceeds the maximum percent of the aggregate net patient revenue of all Assessed Hospitals in the

~~County~~ state permitted by 42 C.F.R. § 433.68(f)(3)(i)(A). Assessments for each Assessed Property will be derived from data contained in the hospital cost reports and/or the Florida Hospital Uniform Reporting System, as available from the Florida Agency for Health Care Administration.

(h) *Assessment resolution*. The Assessment Resolution shall describe (a) the Medicaid payments proposed for funding from proceeds of the Assessment; (b) the benefits to the Assessed Properties associated with the Assessment; (c) the methodology for computing the assessed amounts; and (d) the method of collection, including how and when the Assessment is to be paid.

(i) *Non-ad valorem assessment roll*. The Assessment Coordinator shall prepare, or direct the preparation of, the Non-Ad Valorem Assessment Roll, which shall contain the following:

(1) The names of the Assessed Properties; and

(2) The Assessment rate and amount of the Assessment to be imposed against each Assessed Property based on the Assessment Resolution.

The Non-Ad Valorem Assessment Roll shall be retained by the Assessment Coordinator and shall be open to public inspection.

(j) *Notice by publication*. Upon completion of the Non-Ad Valorem Assessment Roll, the Assessment Coordinator shall publish once in a newspaper of general circulation within the County a notice stating that the Board, at a regular, adjourned, or special meeting on a certain day and hour, not earlier than twenty (20) calendar days from such publication, will hear objections of all interested persons to approve the aforementioned Non-Ad Valorem Assessment Roll. Such notice shall include:

(1) The Assessment rate;

(2) The procedure for objecting to the Assessment rate;

(3) The method by which the Assessment will be collected; and

(4) A statement that the Non-Ad Valorem Special Assessment Roll is available for inspection at the Office of the Assessment Coordinator.

(k) *Notice by mail*. In addition to the published notice required above, but only for the first fiscal

year in which an Assessment is imposed by the Board against Assessed Properties, the Assessment Coordinator shall provide notice of the proposed Assessment by first class mail to the Assessed Properties. Such notice shall include:

(1) The purpose of the Assessment;

(2) The Assessment rate to be levied against each Assessed Property;

(3) The unit of measurement applied to determine the Assessment;

(4) The total revenue to be collected by the County from the Assessment;

(5) A statement that failure to pay the Assessment will cause a tax certificate to be issued against the property or foreclosure proceedings, either of which may result in a loss of title to the property;

(6) A statement that all affected and/or interested parties have a right to appear at the hearing and to file written objections with the Board within twenty (20) days of the notice; and

(7) The date, time, and place of the hearing. Notice shall be mailed at least twenty (20) calendar days prior to the hearing to each Assessed Property at such address as is shown on the Assessment Roll. Notice shall be deemed mailed upon delivery thereof to the possession of the United States Postal Service. The Assessment Coordinator may provide proof of such notice by affidavit. Failure of the Assessed Property to receive such notice, because of mistake or inadvertence, shall not affect the validity of the Assessment Roll or release or discharge any obligation for payment of the Assessment imposed by the Board pursuant to this Article.

(l) *Adoption of assessment resolution and non-ad valorem assessment roll*. At the time named in the notice, the Board shall receive and consider any objections of interested persons. At the date and time named in the notice, the Board may adopt the Assessment Resolution and Non-Ad Valorem Assessment Roll which shall:

(1) Set the rate of the Assessment to be imposed;

(2) Approve the Non-Ad Valorem Assessment Roll, with such amendments as it deems

just and right; and

(3) Affirm the method of collection.

(m) *Annual final assessment resolution*. The Board may revise the Non-Ad Valorem Assessment Roll during the Fiscal Year to modify the Assessment rate. However, the Board must adopt an Annual Final Assessment Resolution during the Fiscal Year to memorialize the final rate applicable for the Fiscal Year.

(n) *Effect of annual final assessment resolution*. The adoption of the Annual Assessment Resolution or, where applicable, the Annual Final Assessment Resolution, shall be the final adjudication of the issues presented (including, but not limited to, the method of apportionment and Assessment, the Assessment rate, the initial rate of Assessment, the Non-Ad Valorem Assessment Roll, and the levy and lien of the Assessments), unless proper steps shall be initiated in a court of competent jurisdiction to secure relief within twenty (20) days from the date of Board action on the Annual Final Assessment Resolution. The Non-Ad Valorem Assessment Roll shall be delivered to the Tax Collector or such other official as the Board by resolution shall designate.

(o) *Method of collection*. The amount of the assessment is to be collected pursuant to the Alternative Method, as specified in the Assessment Resolution.

(p) *Refunds*. If, at the end of the Fiscal Year, additional amounts remain in the Local Provider Participation Fund, the Board is hereby authorized to make refund to Assessed Properties in proportion to amounts paid in during the Fiscal Year for all or a portion of the unutilized Local Provider Participation Fund.

(q) *Enforcement*. In addition to other remedies available at law or equity, the enforcement of the aforesaid Assessment shall be at the same time and in like manner as ad valorem taxes and subject to all ad valorem tax enforcement procedures afforded to the official annual real property tax notice. This Section is enforceable by all means provided by law, including but not limited to suit in a court of competent jurisdiction by mandamus or other appropriate proceedings or actions.

(r) *Indemnification*. The Hospitals that are subject to this Section have requested adoption of this Section and have given assurances to the County that the objectives and procedures addressed in this Section are proper and lawful. Accordingly, the Hospitals that are the subject of this Section shall execute an agreement regarding liability and/or indemnification and hold harmless prior to adoption of this Section. The County has sole discretion to determine an acceptable form of these agreements.

(s) *Correction of errors and omissions*. No act of error or omission on the part of the Comptroller, Property Appraiser, Tax Collector, 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.

(t) *Limitations on surcharges*. Payments made by Assessed Properties under this Section may not be passed along to patients of the Assessed Property as a surcharge or as any other form of additional patient charge.

SECTION 2. **REPEAL OF LAWS IN CONFLICT**.

All local laws and ordinances in conflict with any provisions of this Ordinance are hereby repealed to the extent of such conflict.

SECTION 3. **SAVINGS CLAUSE**.

Notwithstanding Section 3, Repeal of Laws in Conflict, all administrative and county orders, fines, and pending enforcement issued pursuant to the authority and procedures established by Ordinance R2021-024, as amended, shall remain in full force and effect.

SECTION 4. **SEVERABILITY CLAUSE**.

If any section, paragraph, sentence, clause, phrase or word of this Ordinance or the application thereof, to any person or circumstance is for any reason held by a Court of competent jurisdiction to be unconstitutional, inoperative, invalid or void, such holding shall not affect the remainder of this Ordinance or the application of any other provisions of this Ordinance which can be given effect without the invalid provision or application, and to this end, all the provisions of this Ordinance are hereby declared to be severable.

SECTION 5. **INCLUSION IN THE CODE OF LAWS AND ORDINANCES**.

The provisions of this Ordinance shall become and be made a part of the Code of Laws and Ordinances of Palm Beach County, Florida. The sections of this Ordinance may be renumbered or re-lettered to accomplish such, and the word "ordinance" may be changed to "section", "article", or other appropriate word.

SECTION 6. CAPTIONS.

The captions, section headings, and section designations used in this Ordinance are for convenience only and shall have no effect on the interpretation of the provisions of this Ordinance.

SECTION 7. EFFECTIVE DATE.

The provisions of this Ordinance shall become effective upon filing with the Department of State.

APPROVED and ADOPTED by the Board of County Commissioners of Palm Beach County, Florida, on this the _____ day of _____, 2026.

CLERK OF THE CIRCUIT COURT & COMPTROLLER	**PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS**
By:_____	**By:_____**
Deputy Clerk	**_____, Mayor**

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By:_____
Assistant County Attorney

EFFECTIVE DATE: Filed with the Department of State of the ____ day of _____, 2026

ORDINANCE NO. 2026-

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AMENDING CHAPTER 2, ARTICLE III, OF THE PALM BEACH COUNTY CODE, PERTAINING TO THE PALM BEACH COUNTY LOCAL PROVIDER PARTICIPATION FUND ORDINANE; PROVIDING FOR THE SAME; PROVIDING FOR REPEAL OF LAWS IN CONFLICT; PROVIDING FOR SAVINGS CLAUSE; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE OF LAWS AND ORDINANCES; PROVIDING FOR CAPTIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on August 26, 2021, the Palm Beach County Board of County Commissioners (BCC) adopted the Palm Beach County Local Provider Participation Fund (LPPF) Ordinance (R2021-024), providing for a non-ad valorem special assessment to be imposed by the County on all nonpublic hospitals within Palm Beach County's jurisdiction (Hospitals); and

WHEREAS, Hospitals annually provide millions of dollars of uncompensated care to persons who qualify for Medicaid because Medicaid, on average, covers only 60% of the costs of the health care services actually provided by Hospitals to Medicaid-eligible persons, leaving hospitals with significant uncompensated costs ("Medicaid shortfall"); 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 the Hospitals to help finance the non-federal share of the State's Medicaid program, in exchange for which each Hospital agreed to indemnify the County for any and all liability of any kind resulting from enactment, application, or enforcement of this Ordinance, or agreed not to object to or challenge the enactment, application, or enforcement of the Ordinance and Resolution in any administrative or legal action; and

WHEREAS, on July 2, 2021, the BCC amended R2021-024 with an emergency ordinance (2025-017) to add three newly licensed nonpublic hospitals within Palm Beach County to section 2-43(b) of the Palm Beach County Code of Ordinances.

WHEREAS, the LPPF Ordinance must be amended to replace individual references to each Hospital subject to the ordinance with a single reference to "Institutional Health Care Providers"

which are defined as “licensed private for-profit or not-for-profit hospital providers that provides inpatient hospital services, unless the Centers for Medicaid Services (CMS) exempts the hospital through an approved or pending health care tax waiver”; and

WHEREAS, the LPPF Ordinance must be amended to make other clarifying and technical corrections to ensure the proper application and operation of the LPPF Ordinance;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:

SECTION 1. PALM BEACH COUNTY LOCAL PROVIDER PARTICIPATION FUND ORDINANCE. Section 2-43 of the Palm Beach County Code is hereby amended to read as follows:

(a) *Title*. This Section shall be titled the Palm Beach County Local Provider Participation Fund Ordinance.

(b) *Applicability*. This Section shall be applicable to the Institutional Health Care Providers as defined in subsection (c).

(c) *Definitions*. As used in this Section, unless some other meaning is plainly intended:

Annual Final Assessment Resolution means the resolution that provides the final proceeding for the imposition of an Assessment, and establishes the rate for the non-ad valorem assessment for a specific Fiscal Year.

Assessed Property means an Institutional Health Care Provider holding a right of possession and right of use to real property in the County 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 Institutional Health Care Providers located in the County limits to fund the non-federal share of Medicaid and Medicaid managed care payments directed to hospitals providing Local Services in the County.

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

Assessment Resolution means the resolution describing the Medicaid payments proposed for funding from proceeds of the assessment, benefits to the assessed property, and the methods of computation, payment, and collection of the Assessment.

Board means the Palm Beach County Board of County Commissioners.

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Comptroller means the Palm Beach County Clerk of the Circuit Court and Comptroller, or other such person as may be duly authorized to act on such person's behalf.

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.

Institutional Health Care Provider means a licensed private for-profit or not-for-profit hospital that provides inpatient hospital services, unless the Centers for Medicare and Medicaid Services (CMS) exempts the hospital through an approved or pending health care tax waiver.

Local Services means the provision of inpatient and outpatient hospital services to Medicaid, indigent, and uninsured members of the Palm Beach County community.

Local Provider Participation Fund means a separate account into which funds collected from the Non-Ad Valorem assessment are deposited.

Medicaid payments mean funding received through the Directed Payment Program, and any other supplemental or managed care quality incentive program or arrangement authorized by CMS and expressly designated in an Assessment Resolution.

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.

(d) *Purpose*. The non-ad valorem special assessment authorized by this Section 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 Medicaid payments for Local Services. When imposed, the Assessment shall constitute a lien upon the Assessed Properties equal in rank and dignity with the liens of all state, county, district, or municipal taxes and other non-ad valorem assessments. Failure to pay may cause foreclosure proceedings to commence, which could result in loss of title. The Assessment shall be computed and assessed only in the manner provided in this Section.

(e) *Alternative method*. This Section shall be deemed to provide an additional and alternative method, as specified in F.S. § 197.3631, for the assessment and collection of the non-ad valorem special assessment described herein. The Section shall be regarded as supplemental

and additional to powers conferred by other laws and shall not be regarded as in derogation of any powers now existing, or which may exist hereafter. This Section, being necessary for the health, safety, and welfare of the inhabitants of the County, shall be liberally construed to effect the purposes hereof.

(f) *Assessment*. Pursuant to F.S. § 125.01(r), the Board is authorized to create a non-ad valorem special assessment that shall be imposed, levied, collected, and enforced against Assessed Property to fund the non-federal share of Medicaid payments benefitting Assessed Properties providing Local Services in the County. Funds generated as a result of the Assessment shall be held in a separate account called the Local Provider Participation Fund and shall be available to be used only to (1) provide to the Florida Agency for Health Care Administration the non-federal share for Medicaid payments to be made directly or indirectly in support of hospitals serving low income residents, including Medicaid beneficiaries and (2) reimburse the County for administrative costs associated with the implementation of the Assessment authorized by this Section, as further specified in the Assessment Resolution.

The Assessment must comport with federal and state requirements for health care-related assessments. The Assessment may not hold harmless any Institutional Health Care Provider, as required under 42 U.S.C. § 1396b(w). The Assessment shall constitute a lien upon the Assessed Properties equal in rank and dignity with the liens of all state, county, district, or municipal taxes and other non-ad valorem assessments.

Creation and implementation of the Assessment will not result in any additional pecuniary obligation on the County, Board, or County residents. The Assessment shall be imposed, levied, collected, and enforced against only Assessed Properties, and the Assessment Resolution shall provide that the County's administrative costs shall be reimbursed from the collected amounts. The County's administrative costs shall not exceed three hundred thousand dollars ($300,000.00). Any reasonable expenses the County incurs to collect delinquent assessments, including any attorney's fees incurred as a result of contracting with an attorney to represent the County in seeking and enforcing the collection of delinquent assessments, are not subject to the limitation on administrative costs.

(g) *Computation of assessment*. The annual Assessment shall be specified for each Assessed Property. The Board shall set the Assessment in amounts that in the aggregate will generate sufficient revenue to fund the non-federal share of Medicaid payments associated with Local Services to be funded by the Assessment.

The amount of the Assessment required of each Assessed Property may not exceed an amount that, when added to the amount of other required assessments, equals an amount of revenue that exceeds the maximum percent of the aggregate net patient revenue of all Assessed Hospitals in the state permitted by 42 C.F.R. § 433.68(f)(3)(i)(A). Assessments for each Assessed Property will be derived from data contained in the hospital cost reports and/or the Florida Hospital Uniform Reporting System, as available from the Florida Agency for Health Care Administration.

(h) *Assessment resolution*. The Assessment Resolution shall describe (a) the Medicaid payments proposed for funding from proceeds of the Assessment; (b) the benefits to the Assessed Properties associated with the Assessment; (c) the methodology for computing the assessed amounts; and (d) the method of collection, including how and when the Assessment is to be paid.

(i) *Non-ad valorem assessment roll*. The Assessment Coordinator shall prepare, or direct the preparation of, the Non-Ad Valorem Assessment Roll, which shall contain the following:

(1) The names of the Assessed Properties; and

(2) The Assessment rate and amount of the Assessment to be imposed against each Assessed Property based on the Assessment Resolution.

The Non-Ad Valorem Assessment Roll shall be retained by the Assessment Coordinator and shall be open to public inspection.

(j) *Notice by publication*. Upon completion of the Non-Ad Valorem Assessment Roll, the Assessment Coordinator shall publish once in a newspaper of general circulation within the County a notice stating that the Board, at a regular, adjourned, or special meeting on a certain day and hour, not earlier than twenty (20) calendar days from such publication, will hear objections of all interested persons to approve the aforementioned Non-Ad Valorem

Assessment Roll. Such notice shall include:

(1) The Assessment rate;

(2) The procedure for objecting to the Assessment rate;

(3) The method by which the Assessment will be collected; and

(4) A statement that the Non-Ad Valorem Special Assessment Roll is available for inspection at the Office of the Assessment Coordinator.

(k) *Notice by mail*. In addition to the published notice required above, but only for the first fiscal year in which an Assessment is imposed by the Board against Assessed Properties, the Assessment Coordinator shall provide notice of the proposed Assessment by first class mail to the Assessed Properties. Such notice shall include:

(1) The purpose of the Assessment;

(2) The Assessment rate to be levied against each Assessed Property;

(3) The unit of measurement applied to determine the Assessment;

(4) The total revenue to be collected by the County from the Assessment;

(5) A statement that failure to pay the Assessment will cause a tax certificate to be issued against the property or foreclosure proceedings, either of which may result in a loss of title to the property;

(6) A statement that all affected and/or interested parties have a right to appear at the hearing and to file written objections with the Board within twenty (20) days of the notice; and

(7) The date, time, and place of the hearing. Notice shall be mailed at least twenty (20) calendar days prior to the hearing to each Assessed Property at such address as is shown on the Assessment Roll. Notice shall be deemed mailed upon delivery thereof to the possession of the United States Postal Service. The Assessment Coordinator may provide proof of such notice by affidavit. Failure of the Assessed Property to receive such notice, because of mistake or inadvertence, shall not affect the validity

of the Assessment Roll or release or discharge any obligation for payment of the Assessment imposed by the Board pursuant to this Article.

(l) *Adoption of assessment resolution and non-ad valorem assessment roll*. At the time named in the notice, the Board shall receive and consider any objections of interested persons. At the date and time named in the notice, the Board may adopt the Assessment Resolution and Non-Ad Valorem Assessment Roll which shall:

(1) Set the rate of the Assessment to be imposed;

(2) Approve the Non-Ad Valorem Assessment Roll, with such amendments as it deems just and right; and

(3) Affirm the method of collection.

(m) *Annual final assessment resolution*. The Board may revise the Non-Ad Valorem Assessment Roll during the Fiscal Year to modify the Assessment rate. However, the Board must adopt an Annual Final Assessment Resolution during the Fiscal Year to memorialize the final rate applicable for the Fiscal Year.

(n) *Effect of annual final assessment resolution*. The adoption of the Annual Assessment Resolution or, where applicable, the Annual Final Assessment Resolution, shall be the final adjudication of the issues presented (including, but not limited to, the method of apportionment and Assessment, the Assessment rate, the initial rate of Assessment, the Non-Ad Valorem Assessment Roll, and the levy and lien of the Assessments), unless proper steps shall be initiated in a court of competent jurisdiction to secure relief within twenty (20) days from the date of Board action on the Annual Final Assessment Resolution. The Non-Ad Valorem Assessment Roll shall be delivered to the Tax Collector or such other official as the Board by resolution shall designate.

(o) *Method of collection*. The amount of the assessment is to be collected pursuant to the Alternative Method, as specified in the Assessment Resolution.

(p) *Refunds*. If, at the end of the Fiscal Year, additional amounts remain in the Local Provider Participation Fund, the Board is hereby authorized to make refund to Assessed Properties in

proportion to amounts paid in during the Fiscal Year for all or a portion of the unutilized Local Provider Participation Fund.

(q) *Enforcement*. In addition to other remedies available at law or equity, the enforcement of the aforesaid Assessment shall be at the same time and in like manner as ad valorem taxes and subject to all ad valorem tax enforcement procedures afforded to the official annual real property tax notice. This Section is enforceable by all means provided by law, including but not limited to suit in a court of competent jurisdiction by mandamus or other appropriate proceedings or actions.

(r) *Indemnification*. The Hospitals that are subject to this Section have requested adoption of this Section and have given assurances to the County that the objectives and procedures addressed in this Section are proper and lawful. Accordingly, the Hospitals that are the subject of this Section shall execute an agreement regarding liability and/or indemnification and hold harmless prior to adoption of this Section. The County has sole discretion to determine an acceptable form of these agreements.

(s) *Correction of errors and omissions*. No act of error or omission on the part of the Comptroller, Property Appraiser, Tax Collector, 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.

(t) *Limitations on surcharges*. Payments made by Assessed Properties under this Section may not be passed along to patients of the Assessed Property as a surcharge or as any other form of additional patient charge.

SECTION 2. **REPEAL OF LAWS IN CONFLICT**.

All local laws and ordinances in conflict with any provisions of this Ordinance are hereby repealed to the extent of such conflict.

SECTION 3. **SAVINGS CLAUSE**.

Notwithstanding Section 3, Repeal of Laws in Conflict, all administrative and county orders, fines, and pending enforcement issued pursuant to the authority and procedures established by Ordinance R2021-024, as amended, shall remain in full force and effect.

SECTION 4. **SEVERABILITY CLAUSE**.

If any section, paragraph, sentence, clause, phrase or word of this Ordinance or the application thereof, to any person or circumstance is for any reason held by a Court of competent jurisdiction to be unconstitutional, inoperative, invalid or void, such holding shall not affect the remainder of this Ordinance or the application of any other provisions of this Ordinance which can be given effect without the invalid provision or application, and to this end, all the provisions of this Ordinance are hereby declared to be severable.

SECTION 5. **INCLUSION IN THE CODE OF LAWS AND ORDINANCES**.

The provisions of this Ordinance shall become and be made a part of the Code of Laws and Ordinances of Palm Beach County, Florida. The sections of this Ordinance may be renumbered or re-lettered to accomplish such, and the word "ordinance" may be changed to "section", "article", or other appropriate word.

SECTION 6. **CAPTIONS**.

The captions, section headings, and section designations used in this Ordinance are for convenience only and shall have no effect on the interpretation of the provisions of this Ordinance.

SECTION 7. EFFECTIVE DATE.

The provisions of this Ordinance shall become effective upon filing with the Department of State.

APPROVED and ADOPTED by the Board of County Commissioners of Palm Beach County, Florida, on this the _____ day of _____, 2026.

	PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS
CLERK OF THE CIRCUIT COURT & COMPTROLLER	
By:_____	**By:_____**
Deputy Clerk	**_____, Mayor**
APPROVED AS TO FORM AND LEGAL SUFFICIENCY	

By:_____

Assistant County Attorney

EFFECTIVE DATE: Filed with the Department of State of the ____ day of _____,

2026

USA TODAY CO.

LocaliQ

PO Box 631244 Cincinnati, OH 45263-1244

AFFIDAVIT OF PUBLICATION

PbcBocc BoardOfCountyCommissioners
Pbc Bocc Board Of County Commissioners
Po Box 4036

West Palm Beach FL 33402-4036

STATE OF WISCONSIN, COUNTY OF BROWN

Before the undersigned authority personally appeared, who on oath says that he or she is the Legal Coordinator of the Palm Beach Post, published in Palm Beach County, Florida; that the attached copy of advertisement, being a Govt Public Notices, was published on the publicly accessible website of Palm Beach County, Florida, or in a newspaper by print in the issues of, on:

WPB Palm Beach Post 10/30/2026
WPB palmbeachpost.com 10/30/2026

Affiant further says that the website or newspaper complies with all legal requirements for publication in chapter 50, Florida Statutes.
Subscribed and sworn to before me, by the legal clerk, who is personally known to me, on 10/30/2026

Legal Clerk

Notary, State of WI, County of Brown

My commission expires

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VICKY FELTY
Notary Public
State of Wisconsin

NOTICE OF PUBLIC HEARING
PLEASE TAKE NOTICE THAT AT 9:30 A.M. ON NOVEMBER 17, 2026, in the Palm Beach County Governmental Center, Jane Thompson Memorial Chambers, 6th Floor, 301 North Olive Avenue, West Palm Beach FL., the Board of County Commissioners of Palm Beach County, FL., intends to hold a public hearing for the purpose of considering the following proposed Palm Beach County Ordinance (s):

ORDINANCE NO. 2026-
AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AMENDING CHAPTER 2, ARTICLE III, OF THE PALM BEACH COUNTY CODE, PERTAINING TO THE PALM BEACH COUNTY LOCAL PROVIDER PARTICIPATION FUND ORDINANCE; PROVIDING FOR THE SAME; PROVIDING FOR REPEAL OF LAWS IN CONFLICT; PROVIDING FOR SAVINGS CLAUSE; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE OF LAWS AND ORDINANCES; PROVIDING FOR CAPTIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

A copy of the above-referenced proposed ordinance is available for inspection in the Minutes Department, 2nd floor, Room 203.2, Governmental Center. All interested parties may appear at the meeting and be heard with respect to the proposed ordinance(s).
If a person decides to appeal any decision made by this commission with respect to any matter considered at this meeting or hearing they will need to have a record of the proceeding, and for that, for such purpose, they may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is based.
SHANNON RAMSEY-CHESSMAN
Clerk Ad Interim
Clerk of the Circuit Court & Comptroller
Board of County Commissioners
10/30/2026