



Agenda Item Summary

File #: 25-00723

Agenda Date: [Publish Date]

Agenda Item Name:

Public Hearing Approval of Agency for Health Care Administration Letter of Agreement for Directed Payment Program Intergovernmental Transfer

Presenter:

Robert Swain, County Attorney

Description:

Notice is hereby given that the Board of County Commissioners of Alachua County, Florida, will conduct a public hearing to consider the approval of the imposition and collection of non-ad valorem special assessments against each private for-profit and not-for-profit hospital that provides inpatient hospital services and that holds a right of possession and right of use to real property in the County through an ownership or leasehold interest (each, an Assessed Property).

Recommended Action:

Conduct Public Hearing Approve and authorize the Chair of the Alachua Board of County Commissioners to execute the Letter of Agreement (LOA) with the Florida Agency for Health Care Administration (AHCA) for the FY2026 Medicaid Directed Payment Program, and to transmit the Intergovernmental Transfer (IGT) amount, as specified, if any, using the assessment balance collected. Approval of this item will fulfill all state and federal requirements, secure federal matching funds, and ensure continued supplemental Medicaid reimbursement to participating hospitals serving our community.

Prior Board Motions:

N/A

Fiscal Note:

The assessments are intended to finance intergovernmental transfers provided and consistent with federal guidelines that fund the non-federal share of certain supplemental payment programs, thus directly and specially benefitting Assessed Properties and supporting the provision of health care services to Medicaid, indigent, and uninsured members of the County's community.

The County has been advised that for FY26 the levy of 0.00% is a result of changes in the Medicaid program. The County has been advised the Medicaid program will not levy for FY26 and if directed any balances will be utilized in FY26.

Strategic Guide:

All Other Mandatory and Discretionary Services

Background:

A public hearing was held on September 24, 2024, for a Non-Ad Valorem Assessment Roll, which contains the names of the Assessed Properties and the assessment rates and amount of the special assessments to be imposed against each Assessed Property, was considered for approval.

At the date and time set forth in this notice, the Board of County Commissioners may:
(1) approve the Non-Ad Valorem Assessment Roll, with such amendments as it deems just and right; and (2) adopt a resolution (the "Assessment Resolution") that describes (a) the Medicaid hospital directed payment program proposed for funding from proceeds of the assessments, (b) the benefits to the Assessed Properties, (c) the methodology for computing the assessed amounts, and (d) the method of collection, including how and when the assessments are to be paid.

Notice of this meeting was published in the Gainesville Sun on September 1, 2024 and each impacted taxpayer received notice of the proposed rate and time and date of the public hearing.

HCA North Florida \$32,476,838
UF Health Rehab Hospital \$569,903
Select Specialty Hospital – Gainesville \$743,208
UF Health Shands \$34,182,84

The Florida Agency for Health Care Administration (AHCA) administers the Medicaid Directed Payment Program (DPP), which provides enhanced Medicaid reimbursements to eligible hospitals through federally approved payment mechanisms. To access these federal matching funds, local governmental entities such as Alachua County may transmit Intergovernmental Transfers (IGTs) to AHCA. These IGTs serve as the state’s share to draw down federal funds for distribution to qualifying hospitals in the County’s service area.

For the FY2026 program year, the County’s assessment for the DPP was collected in the prior fiscal year. The current Letter of Agreement (LOA) from AHCA specifies the amount to be transmitted, reflecting the rollover of these previously collected funds. County approval of the LOA is required before transmitting the funds to AHCA.