



Office of *Public Hearing 09/24/2024*
INDIAN RIVER COUNTY
ATTORNEY

Susan J. Prado, Deputy County Attorney
Christopher A. Hicks, Assistant County Attorney

MEMORANDUM

TO: Board of County Commissioners
FROM: Susan J. Prado, Deputy County Attorney
DATE: September 13, 2024
SUBJECT: Local Provider Participation Fund Approval

BACKGROUND.

Hospitals that provide Medicaid services or other forms of indigent care often fail to receive full compensation for those services, which leaves hospitals with unreimbursed costs. In 2021, County staff was approached by the Sebastian River Medical Center and Cleveland Clinic Indian River Hospital about establishing a local provider participation fund (LPPF) to assist in covering such unreimbursed costs. Under the LPPF ordinance approved in September 2021, Indian River County imposes an assessment on real property on which hospitals are located in the County. The funding raised by the assessment then goes through intergovernmental transfers that are consistent with federal guidelines, to support additional funding for Medicaid payments to the hospitals to address the Medicaid shortfall. Since the LPPF ordinance was adopted, the Indian River County Board of County Commissioners ("Board") annually adopts an assessment resolution and assessment roll.

The LPPF ordinance requires each participating county to send a Letter of Agreement ("LOA") to the Florida Agency for Health Care Administration ("AHCA") by October 1st. County staff has no objection to the approval of the corresponding assessment resolution and LOA which are attached to this memorandum.

FUNDING.

There is no expenditure of County funds associated with this matter. The County collects these assessments and sends the funds to AHCA, which draws down additional Medicaid dollars from the Federal government. The local hospitals would then have the ability to bill for services provided to patients up to double the amount assessed.

RECOMMENDATION.

County staff recommends that the Board open the public hearing, take public comment and then vote whether to approve the Local Provider Participation Fund Resolution and Letter of Agreement.

ATTACHMENTS.

LPPF Resolution
Letter of Agreement