

**RESOLUTION NO. #**

**AN ASSESSMENT RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BAY COUNTY, FLORIDA, AUTHORIZING AND ADOPTING A NON-AD VALOREM SPECIAL ASSESSMENT WITHIN THE COUNTY LIMITS FOR THE PURPOSE OF BENEFITING ASSESSED PROPERTIES THROUGH ENHANCED MEDICAID PAYMENTS FOR LOCAL SERVICES; FINDING AND DETERMINING THAT CERTAIN REAL PROPERTY IS SPECIALLY BENEFITED BY THE ASSESSMENT; COLLECTING THE ASSESSMENT AGAINST THE REAL PROPERTY; ESTABLISHING A PUBLIC HEARING TO CONSIDER IMPOSITION OF THE PROPOSED ASSESSMENT AND THE METHOD OF ITS COLLECTION; AUTHORIZING AND DIRECTING THE PUBLICATION OF NOTICES IN CONNECTION THEREWITH; PROVIDING FOR CERTAIN OTHER AUTHORIZATIONS AND DELEGATIONS OF AUTHORITY AS NECESSARY; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, hospitals in Bay County’s jurisdiction (the “Hospitals”) annually provide millions of dollars of uncompensated care to uninsured persons and those 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; and

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

**WHEREAS**, Hospitals have asked Bay County (the “County”) to impose a non-ad valorem special assessment upon certain real property interests held by the Hospitals to help finance the non-federal share of the State’s Medicaid program; and

**WHEREAS**, the only real properties interests that will be subject to the non-ad valorem assessments authorized herein are those belonging to the Hospitals; and

**WHEREAS**, the County recognizes that one or more of the Hospitals within the County’s boundaries may be located upon real property leased from governmental entities and that such Hospitals may be assessed because courts do not make distinctions on the application of special assessments based on “property interests” but rather on the distinction of the classifications of real property being assessed; and

**WHEREAS**, the funding raised by the County assessment will, through intergovernmental transfers (“IGTs”) provided consistent with federal guidelines, support additional funding for Medicaid payments to Hospitals; and

**WHEREAS**, the County acknowledges that the Hospital properties assessed will benefit directly and especially from the assessment as a result of the above-described additional funding provided to said Hospitals; and

**WHEREAS**, the County has determined that a logical relationship exists between the services provided by the Hospitals, which will be supported by the assessment, and the special and particular benefit to the real property of the Hospitals; and

**WHEREAS**, the County has an interest in promoting access to health care for its low-income and uninsured residents; and

**WHEREAS**, leveraging additional federal support through the above-described IGTs to fund Medicaid payments to the Hospitals for health care services directly and specifically benefits the Hospitals’ property interests and supports their continued ability to provide those services; and

**WHEREAS**, imposing an assessment limited to Hospital properties to help fund the provision of these services and the achievement of certain quality standards by the Hospitals to residents of the County is a valid public purpose that benefits the health, safety, and welfare of the citizens of the County; and

**WHEREAS**, the assessment ensures the financial stability and viability of the Hospitals providing such services; and

**WHEREAS**, the Hospitals are important contributors to the County's economy, and the financial benefit to these Hospitals directly and specifically supports their mission, as well as their ability to grow, expand, and maintain their facilities in concert with the population growth in the jurisdiction of the County; and

**WHEREAS**, the Board finds the assessment will enhance the Hospitals' ability to grow, expand, maintain, improve, and increase the value of their Bay County properties and facilities under all present circumstances and those of the foreseeable future; and

**WHEREAS**, the County is proposing a properly apportioned assessment by which all Hospitals will be assessed at a uniform rate that is compliant with 42 C.F.R. § 433.68(d); and

**WHEREAS**, on August 17, 2021, the Board of County Commissioners adopted Ordinance 21-15, enabling the County to levy a uniform non-ad valorem special assessment, which is fairly and reasonably apportioned among the Hospitals' property interests within the County's jurisdictional limits, to establish and maintain a system of funding for IGTs to support the non-federal share of Medicaid payments, thus directly and specially benefitting Hospital properties.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF BAY 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.

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

*Board* means the Board of County Commissioners of Bay County, Florida.

*Comptroller* means the Bay County Comptroller, ex officio Clerk to the Board, or other such person as may be duly authorized to act on such person's behalf.

*County* means Bay 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 Bay County community.

*Non-Ad Valorem Assessment Roll* means the special assessment roll prepared by the County.

*Ordinance* means the Bay County Local Provider Participation Fund Ordinance codified in Chapter 11, Article IV of the Bay County Code of Ordinances.

*Tax Collector* means the Bay County Tax Collector.

**Section 2. Authority.** Pursuant to Article VIII, Section 1(f) of the Constitution of the State of Florida, Chapter 125 of the Florida Statutes, and the Bay County Local Provider Participation Fund Ordinance, the Board is hereby authorized to impose a special assessment against private for-profit and not-for-profit hospitals located within the County to fund the non-federal share of Medicaid payments associated with Local Services.

**Section 3. 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, to commence.

**Section 4. Assessment Scope, Basis, and Use.** Funds generated from the Assessment shall be used only to:

1. Provide to the Florida Agency for Health Care Administration 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
2. Reimburse the County for administrative costs associated with the implementation of the Assessment authorized by the Ordinance.

If, at the end of the Fiscal Year, additional amounts remain in the local provider participation fund, the Board is hereby authorized either (a) to 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 the Agency, the 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 is hereby authorized to refund to Assessed Properties, in proportion to amounts paid in during the Fiscal Year, the amount of such returned funds.

**Section 5. Computation of Assessment.** The Assessment shall equal 0.38% of gross patient revenue for each Assessed Property specified in the attached Non-Ad Valorem Assessment Roll. 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 6. Timing and Method of Collection.** The amount of the assessment is to be collected pursuant to the Alternative Method outlined in §197.3631, Fla. Stat.

The County shall provide Assessment bills by first class mail to the owner of each affected Hospital. The bill or accompanying explanatory material shall include: (1) a reference to this Resolution, (2) the total amount of the hospital's Assessment for the appropriate period, (3) the location at which payment will be accepted, (4) the date on which the Assessment is due, and (5) 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 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 under the Ordinance and this resolution.

**Section 7.        Public Hearing.** Per the notice provided on August 28, 2021, the Board has heard and considered objections of all interested persons prior to rendering a decision on the Assessment and attached Non-Ad Valorem Assessment Roll.

**Section 8.        Responsibility for Enforcement.** The County and its agent, if any, 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 at the suit of any holder of obligations in a court of competent jurisdiction by mandamus or other appropriate proceedings or actions.

**Section 9.        Severability.** If any clause, section, or provision of this resolution is declared unconstitutional or invalid for any reason or cause, the remaining portion hereof shall be in full force and effect and shall be valid as if such invalid portion thereof had not been incorporated herein.

**Section 10.      Effective Date.** This Resolution to be effective immediately upon adoption. This Resolution duly adopted this 21st day of September, 2021.

Seal

BOARD OF COUNTY COMMISSIONERS  
BAY COUNTY, FLORIDA

Robert Carroll, Chairman

ATTEST:

APPROVED AS TO FORM:

Bill Kinsaul, Clerk

Office of County Attorney

[Attachment- Assessment Roll]

MCD ID #	Organization	Facility	Hospital Address
10006400	Ascension	Ascension Sacred Heart Bay	615 N Bonita Ave Panama City, FL 32401
10275000	Encompass Health	Encompass Health Rehabilitation Hospital of Panama City	1847 Florida Ave Panama City, FL 32405
11761700	HCA	Gulf Coast Regional Medical Center	449 W 23rd St, Panama City, FL 32405
8135300	UHS	Emerald Coast Behav Hosp	1940 Harrison Ave, Panama City, FL 32405
	Select Medical	SSH Panama City	615 North Bonita Avenue Panama City FL 32401

County Phone Number: (850) 248-8140  
BCC Address: Bay County Government Building, located at 840 West 11th Street, Panama City, FL 32401  
Ordinance Date: August 17, 2021  
Resolution Date: September 21, 2021, 9:00 a.m.  
Disability Contact: Eve Tooley, Chief Risk Officer at (850) 248-8230 or email at [etooley@baycountyfl.gov](mailto:etooley@baycountyfl.gov)  
Mandatory Payments Due Date: October 1, 2021

Rate	Mandatory Payment	Invoice Contact	Invoice Address
0.38% GROSS	\$3,421,914	Steve Quiriconi	1 Shircliff Way Jacksonville, FL 32204
0.38% GROSS	\$126,525	Andrew Wilburn	9001 Liberty Parkway Birmingham, AL 35242
0.38% GROSS	\$7,568,729	Amber Goodpaster	449 West 23rd Street Panama City, FL 32405
0.38% GROSS	\$70,382	Mike Zenone	1900 Harrison Avenue, Panama City, FL 32405
0.38% GROSS	\$243,399	Kristal Shook	4714 Gettysburg Road, Mechanicsburg, PA 17055

Organization	Title	Name	Hospital	Address	Phone Number	Email
UHS	CFO	Mike Zenone	Emerald Coast Behavioral Hospital	1900 Harrison Avenue, Panama City, FL 32405	850-532-6463	Michael.Zenone@UHSInc.com
UHS	Sr. Reimbursement Director	Gary Branum	Requested CC on all UHS communication	1000 Healthpark Drive, Bldg Three, Suite 400, Brentwood, TN 37027	(615) 491-8630	gary.branum@uhsinc.com
HCA	CFO	Amber Goodpaster	Gulf Coast Medical Center	449 West 23rd Street Panama City, FL 32405	850-747-7140	Amber.goodpaster@hcahealthcare.com
Ascension	CFO	Steve Quiriconi	Ascension Sacred Heart Bay	1 Shircliff Way Jacksonville, FL 32204	804-836-4582	Stephan.quiriconi@ascension.org
Encompass	Statutory and Regulatory Analyst	Andrew Wilburn	Encompass Health Rehabilitation Hospital of P	9001 Liberty Parkway Birmingham, AL 35242	205-970-5761	andrew.wilburn@encompasshealth.com;
	Director of Finance	Kristal Shook	SSH Panama City	4714 Gettysburg Road, Mechanicsburg, PA 17055	717-216-7365	providertax@encompasshealth.com Kshook@selectmedical.com



Number	OWNER NAME	FACILITY DESCRIPTION	FACILITY ADDRESS	PARCEL #	LEGAL DESCRIPTION
1	The Board of Trustees Bay	Ascension Sacred Heart Bay	615 N Bonita Ave Panama City, FL 32401	21084-000-000	Blocks 43 and 48, H. L. Sudduth's Fourth Addition to Panama City, as per plat thereof on file in Plat Book I, Page 72, of the Public Records of Bay County, Florida.
2	Lakeshore System Services	Encompass Health Rehab Hospital of Panama City	1847 Florida Ave Panama City, FL 32405	14197-020-000	32 3S 14W -43.6- 91D3 OLD 61A COM SE COR OF SW1/4 W 405' N 1934.59' W 30' TO W R/W FLA AV N 434' FOR POB TH CONT N 226' TO S R/W 19TH ST W 396' S 160' E 148' SLY 256.59' TO POB ORB 3448 P 1162
3	Bay Hospital Inc.	Gulf Coast Regional Medical Center	449 W 23rd St, Panama City, FL 32405	14168-010-000	32 3S 14W -15.3- 91D1 OLD 61A BEG 50' S & 740' W OF NE COR OF NW1/4 OF NE1/4 TH S 400' E 290' S 510' E 400' S 60' W 400 S 927.6' W 683.43' TO STATE AV N ALG R/W TO PT E 440' N400' E 100' TO POB LESS TO -15.31- & -15.32- (SUBJ TO ESMT ORB 3679 P 2130) ORB 657 P 69 SUB TO AT&T ESMT ORB3777 P434)
4	Emerald Coast Behavioral Hospital, LLC	Emerald Coast Behavioral Hospital	1940 Harrison Ave, Panama City, FL 32405	14423-000-000	33/32 3S 14W -20- MAP 104C2 COM AT THE SW COR OF NW1/4 OF SEC 33 TH RUN N 50' TO THE N R/W OF 19TH ST FOR POB TH RUN ELY ALONG R/W 724.36' TH RUN N 435.80' TH N16 DEG E 352.58' TH E 261.36' N 200' S84 DEG E 218.06' TH N 331.24' TH RUN W 1248.99' TO THE EAST R/W OF HARRISON AVE TH SLY ALONG R/W 1383.11' TO THE N R/W OF 19TH ST TH E 419.15' TO POB LESS 30' UTILITY ESMT. & LESS PRCL DESC IN ORB 1301 P 1415 ORB 3187 P 1332 & 3187 P 1336
5		SSH Panama City	615 North Bonita Avenue Panama City FL 32401	21084-000-000	