

RESOLUTION NO. 25-R-_____

AN ASSESSMENT RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MARION COUNTY, FLORIDA, AUTHORIZING AND ADOPTING A NON-AD VALOREM SPECIAL ASSESSMENT WITHIN THE COUNTY LIMITS FOR THE PURPOSE OF BENEFITING ASSESSED PROPERTIES THROUGH SUPPLEMENTAL PAYMENT PROGRAMS 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 Marion 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 Marion 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 DPP 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 supplemental 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 Marion 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 July 6, 2021, the Board of County Commissioners adopted Ordinance 21-18, 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 MARION 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 supplemental payment programs 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 Marion County, Florida.

Comptroller means the Marion 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 Marion 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 Marion County community.

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

Ordinance means the Marion County Local Provider Participation Fund Ordinance codified in Chapter 16, Article VI of the Marion County Code of Ordinances.

Tax Collector means the Marion 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 Marion 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 supplemental payment programs 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 supplemental payment programs 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 the DPP 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 retain such amounts in the fund to transfer to the Agency in the next fiscal year for use as the non-federal share of supplemental payment programs, or (b) if requested to do so by the Assessed Properties, 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.

If, after the Assessment funds are transferred to the Agency, the Agency returns some or all 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 amount shall not exceed 2.20% of Net Inpatient Revenue and shall not exceed 13.53% of Net Outpatient 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 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 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. Obligation to Make Payment. Institutional Health Care Providers are under no obligation to make payment until the Centers for Medicare & Medicaid Services (CMS) approves Florida's preprint for the DPP for the period or periods starting October 1, 2024, and concluding September 30, 2025.

Section 8. Public Hearing. Per the notice provided on June 11, 2025, 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 9. 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 10. 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 11. Effective Date. This Resolution to be effective immediately upon adoption. This Resolution duly adopted this 1st day of July, 2025.

DULY ADOPTED in regular session this 1st day of July, 2025.

BOARD OF COUNTY COMMISSIONERS
MARION COUNTY, FL

KATHY BRYANT
CHAIRMAN

ATTEST:

Gregory C. Harrell, Clerk of Court and
Comptroller

For use and reliance of Marion County only,
Approved as to form and legal sufficiency:

Matthew G. Minter, County Attorney

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[Attachment- Assessment Roll]

BENEFIT ASSESSMENT ROLL
FOR
IMPOSING AND
COLLECTING A NON-AD VALOREM SPECIAL
ASSESSMENT

Tangible Parcel No.	Lien Number	Name and Address of Owner				Tangible Parcel No.	Amounts of Annual Benefits and Assessments Against
1	000001	Advent Health Ocala 1500 SW 1st Ave Ocala, FL 34471 Parcel #: 20150557				1	\$31,365,271.00
2	000002	Encompass Health Rehabilitation Hospital of Ocala 2275 SW 22nd Ln Ocala, FL 34471 Parcel #: 20130329				1	\$705,335.00
3	000003	HCA Florida Ocala Hospital 1431 SW 1st Ave Ocala, FL 34471 Parcel #: 20180570				1	\$50,741,254.00
4	0000004	Kindred Hospital Ocala 1500 SW 1st Ave 5th floor Ocala, FL 34471 Parcel #: 20060852				1	\$187,175.00

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Tangible Parcel No.	Lien Number	Name and Address of Owner	Street Name or Number	Tangible Parcel No.	Amounts of Annual Benefits and Assessments Against
5	0000005	The Vines Hospital 3130 SW 27th Ave Ocala, FL 34471 Parcel #: 20050448		1	\$372,012.00
TOTALS				5	\$83,371,047.00