

ORDINANCE NO. 2026-XX

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA, PERTAINING TO THE BREVARD COUNTY LOCAL PROVIDER PARTICIPATION FUND SPECIAL NON-AD VALOREM SPECIAL ASSESSMENT; AMENDING CHAPTER 102 – TAXATION, ARTICLE IV. – AD VALOREM PROPERTY TAXATION, DIVISION 4. BREVARD COUNTY LOCAL PROVIDER PARTICIPATION FUND NON-AD VALOREM ASSESSMENT, BREVARD COUNTY CODE OF ORDINANCES; AMENDING SECTION 102-262. DEFINITIONS; AMENDING SECTION 102-265. SCOPE OF ASSESSMENT; AMENDING SECTION 102-266. COMPUTATION OF ASSESSMENT; AMENDING SECTION 102-275. REFUNDS; PROVIDING FOR RESOLUTION OF CONFLICTING PROVISIONS; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN AREA ENCOMPASSED; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES.

WHEREAS, Brevard County levies the Local Provider Participation Fund Non-Ad Valorem Assessment on hospitals to fund Medicaid payments for hospitals who provide in-patient and out-patient services to low income and Medicaid eligible Floridians; and

WHEREAS, hospitals pay assessments to Brevard County, which then transfers the funds to the state where they qualify for federal match; and

WHEREAS, the Local Provider Participation Fund Non-Ad Valorem Assessment costs nothing to local taxpayers; and

WHEREAS, the benefits of the Local Provider Participation Fund Non-Ad Valorem Assessment program flow to the hospitals, increasing reimbursement for Medicaid services and charitable care; and

WHEREAS, the assessments must be broad-based and uniform to comply with federal requirements; and

WHEREAS, in 2025, Congress passed the One Big Beautiful Bill Act (“OBBA”), which affected how states can finance Medicaid programs and what opportunities remain available in the future; and

WHEREAS, OBBA changes, Centers for Medicare & Medicaid (CMS) guidance, and protracted negotiations over program approvals now leave Florida in a position to update its assessment structure; and

WHEREAS, this year, Florida is seeking waivers to exempt certain facilities from the provider taxes in jurisdictions across the state; and

WHEREAS, in April, Florida submitted 33 waiver requests seeking to waive the federal provider tax broad-based requirement, which waivers would apply to hospitals in 19 local jurisdictions and, if granted, would render the newly exempt facilities no longer subject to the assessment; and

WHEREAS, while the state and CMS continue to negotiate these waiver requests, local jurisdictions can take steps to prepare for the possible exemptions; and

WHEREAS, local hospitals understand the state's desire to ensure equitable outcomes for all assessment payers, and hospitals not included in the waiver request remain supportive of the assessment and understand the assessment obligation will continue to apply; and

WHEREAS, hospitals subject to the annual assessment will receive notice in advance of the assessment rate being set, including notice of the proposed assessment amount; and

WHEREAS, this ordinance will amend the Brevard County Local Provider Participation Fund Non-Ad Valorem Assessment to incorporate the waiver exemptions and ensure that it is levied in compliance with the requirements of federal law; and

WHEREAS, Florida's Agency for Health Care Administration (ACHA) is advocating for the legislature to open the door for a new program to reward managed care plans that meet specific health quality, efficiency, and outcome goals, furthering state quality objectives; and

WHEREAS, managed care plans often partner with hospitals to achieve designated program goals and objectives; and

WHEREAS, in a managed care quality incentive program ("MCO"), benefits flow to partnering hospitals as managed care plans make payments to hospitals for their contribution to program objectives; and

WHEREAS, in jurisdictions with a local provider participation fund non-ad valorem assessment, the assessment may generate sufficient dollars to provide an intergovernmental transfer for this new MCO program, in addition to the existing Medicaid payment programs already funded by the assessment; and

WHEREAS, to allow for the opportunity to participate in this new MCO program, participating jurisdictions must amend existing ordinance to ensure that funds may be applied toward the MCO incentive program, in addition to the Medicaid payment programs already funded.

NOW, THEREFORE, BE IT ORDAINED by the Board of County Commissioners of Brevard County, Florida, that:

SECTION 1. Recitals. The foregoing recitals are incorporated by reference into this Ordinance.

SECTION 2. Brevard County Code of Ordinances, Chapter 102 – Taxation, Article IV. – Ad Valorem Property Taxation, Section 102-262. – Definitions, is hereby amended to read as follows¹:

Sec. 102-262. Definitions.

When used in this division, the following terms shall have the meanings below, unless the context clearly requires otherwise:

* * *

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~~ associated with providing local services in the county.

* * *

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.

¹ Throughout this ordinance, additions to the Code are underlined and deletions are stricken through. Asterisks (* * *) indicate portions of the Code unchanged by this ordinance that have been omitted for brevity.

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Medicaid payment means funding received through the Medicaid managed care hospital 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 as described in section 102-267 hereof.

* * *

SECTION 3. Brevard County Code of Ordinances, Chapter 102 – Taxation, Article IV. – Ad Valorem Property Taxation, Section 102-265. Scope of assessment, is hereby amended to read as follows:

Sec. 102-265. Scope of assessment.

Pursuant to ~~F.S. § section~~ 125.01, Florida Statutes, there is hereby created 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 fund called the local provider participation fund and shall be available to be used only to:

- (1) Provide to the state ~~agency for health care administration~~ Agency for Health Care Administration the non-federal share for Medicaid 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 this division, 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 healthcare related assessments. The assessment may not hold harmless any institutional health care provider, as required under 42 U.S.C. ~~§section~~ 1396b(w). As set forth in section 102-243, 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.

* * *

SECTION 4. Brevard County Code of Ordinances, Chapter 102 – Taxation, Article IV. – Ad Valorem Property Taxation, Section 102-266. Computation of assessment, is hereby amended to read as follows:

Sec. 102-266. 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, 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 state hospital uniform reporting system, as available from the state agency for health care administration.

SECTION 5. Brevard County Code of Ordinances, Chapter 102 – Taxation, Article IV. – Ad Valorem Property Taxation, Section 102-275. Refunds, is hereby amended to read as follows:

Sec. 102-275. Refunds.

If, at the end of the fiscal year, additional amounts remain in the local provider participation fund, the board is hereby authorized, upon a majority vote, to make a 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.

SECTION 6. Conflict. All resolutions, ordinances, and agreements or parts thereof that may be determined to be in conflict with this ordinance are repealed.

SECTION 4. Severability. If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall be construed as not having contained said section, subsection, sentence, clause or provision and shall not be affected by such holding.

SECTION 5. Area Encompassed. It is intended that this ordinance shall constitute a uniform law applicable in all unincorporated areas of Brevard County, Florida, and to all

incorporated areas of Brevard County where there is no existing conflict of law or municipal ordinance.

SECTION 6. Effective Date. A certified copy of this ordinance shall be filed with the Office of the Secretary of State, State of Florida within ten (10) days of enactment. The ordinance shall take effect upon adoption and filing pursuant to law.

SECTION 7. Inclusion in Code. This ordinance shall be included and be made part of the Code of Ordinances of Brevard County, Florida, and the sections of this ordinance may be re-numbered or re-lettered to conform to the format used in the Code of Ordinances.

DONE, ORDERED AND ADOPTED, in regular session, this 7th day of July, 2026.

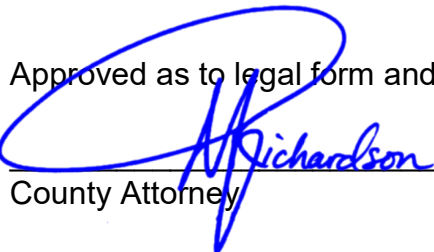
ATTEST:

BOARD OF COUNTY COMMISSIONERS
BREVARD COUNTY, FLORIDA

Rachel M. Sadoff, Clerk
(SEAL)

Thad Altman, Chair
As approved by the Board on 7/7/2026

Approved as to legal form and sufficiency:



County Attorney