

Brevard County Board of County Commissioners

*2725 Judge Fran Jamieson Way
Viera, FL 32940*



Minutes

Thursday, July 3, 2025

9:00 AM

Special Meeting

Commission Chambers

A. CALL TO ORDER 9:00 AM

Rollcall

Present: Commissioner District 1 Katie Delaney , Commissioner District 2 Tom Goodson, Commissioner District 3 Kim Adkinson, Commissioner District 4 Rob Feltner, and Commissioner District 5 Thad Altman

Pursuant to Brevard County Board of County Commissioners Board Policy BCC-97, the Chairman of the Brevard County Board of County Commissioners has called a Special Meeting at 9:00 AM to discuss a Rate Resolution to Impose Non-Ad Valorem Special Assessment for the State's Medicaid Managed Care for Direct Payment Program for Local Hospitals.

C. PLEDGE OF ALLEGIANCE: Commissioner Tom Goodson, District 2, Vice-Chair
Commissioner Goodson led the assembly in the Pledge of Allegiance.

H.1. Approval of a Rate Resolution to Impose Non-Ad Valorem Special Assessment for the State's Medicaid Managed Care for Direct Payment Program for Local Hospitals

Chairman Feltner called for a public hearing on approval of a rate resolution to impose non-ad valorem special assessment for the State's Medicaid-Managed Care for Direct Payment Program for local hospitals.

Jill Hayes, Budget Office Director, stated this is at the request of affected hospitals and their requests for approval of a rate resolution to impose non-ad valorem special assessments against private, for-profit, and non-profit local hospitals for the State's Medicare-Managed Care Program; the providers listed on the assessment role, which is attached to the Agenda, are the only ones paying this assessment; this is not an assessment or a tax on any residential or business property in the County, only those hospitals listed; and this federally-approved program allows the State to access Federal Medicaid funds for managed care expenditures and it offsets the hospital's Medicaid shortfalls. She noted there are representatives in attendance to answer any questions the Board may have.

Chairman Feltner added he will add to that so everyone understands why the Board is having a Special meeting today; there is language in the big beautiful bill and the President is going to apparently sign that tomorrow, so the Board needs to do this today; and that for a point of clarification is why the Board is there today.

Commissioner Delaney stated she has received a lot of feedback from the public when this meeting came public; people are concerned about if their taxes are going to go up, she is hearing Ms. Hayes, and she understands that it is not going to affect people locally in that way; people are also concerned about Federal taxes; and just to put it on the record, this is not an expansion of Federal taxes it is just giving the County's hospitals more access to money that is already there.

Ms. Hayes commented that is her understanding of this program.

Sandra Sullivan stated she would like to see additional transparency on why this has to be done before the big beautiful bill; she asked what does that garner for this process; she commented they are talking about a lot of cutbacks to Medicaid, 14 million allegedly on

Medicaid, and not providing services to illegals and having people work that should be working in order to receive Medicaid; there are going to be huge shortfalls in Medicaid; she asked what this does; and she noted this is counterintuitive and does not make sense to be put in place. She continued by saying the language says, "to local hospitals in Brevard County annually provide millions of dollars to uncompensated care to patients who qualify for Medicaid. Medicaid only covers 60 percent of those costs"; this is saying it helps them to use the money to match and get more money from the Federal government; what people are hearing is the Federal government is cutting those Federal monies, and she asked what the real gain is, as it does not add up; there are a couple other things; she looked back to a 2021 Agenda and the documents; some of the players have changed, they signed legal agreements that they wanted to do this, but then she looked at the tax role and that Ordinance was never executed in terms of they were never taxed; here the Board is just days before the big beautiful bill and suddenly it is jumping through hoops; and she asked why. She went on to say the documentation from 2021 there are a few things; prior to the imposition of an assessment, the County shall have a fully-executed agreement with the State of Florida, but she does not see that in the documents attached; it says if there is no objection to the property owners of the assessment and some of those owners have changed; previously, the County had executed agreements from the hospital and if the Board is doing this now it should have that in place; she showed the Board a piece of paper and she stated this is Rockledge and that does not have any tax for this, so it has not been put into place; therefore, the Board cannot just say it did this Ordinance in 2021 so it can do this now. She commented this was a declaration by James Richard Whitney who says he is Chief Legal Officer of Adelanto Healthcare Ventures and that in his official capacity he is testifying that the affidavit represents the following hospitals and that they did an official ballot for voting and all of this; again, that was 2021, four years ago; she asked if the Board has to go through this process again; she mentioned it seems as though this whole process is rushed in terms of who benefits, and Health First is 83 percent of these entities; the whole thing does not smell right and she thinks the public deserves a little more explanation to that just prior to the big beautiful bill and huge cut backs at the Federal level and this being on the premise that it will help get reimbursements for Medicaid that is not paid, the 40 percent that is not collected; none of this seems to make sense; and she thinks the Board owes a little bit more explanation of what the real agenda is because there is not a lot of trust.

Chairman Feltner noted he would like to say something about the timeliness of this; this was on the July 8 Agenda, just so people understand; the County was happy to take it up at that time; because the legislation moved a little quicker than anticipated, this was planned in June to take it up on July 8, but now that things have progressed quicker than that, the Board has to have this meeting; there are cards from providers; he asked if someone wanted to come up and explain; and he noted he feels that ultimately the Board is doing what it can to help protect the healthcare providers.

Rachel Rexford, Adelanto Healthcare Ventures representing the hospitals, stated she can provide a little clarity on why this has to be done now; it is because the provider tax freeze provision that is in the big beautiful bill; basically, once the big beautiful bill goes into effect, the rate right now that the County can assess the hospitals at will be frozen indefinitely; right now in Florida statewide, they are at about 3.5 percent in terms of the assessment; under Federal law they can go as high as six percent; therefore, Florida and the counties across Florida are missing out on that if the big beautiful bill passes and those freezes go into effect immediately and that is why it has to be done now; and she asked if there is anything else she can clarify.

Commissioner Altman stated having been in Tallahassee for over 20 years, this Medicaid program, Florida has been a leader in the country, and it is quite complex; this is nothing new, it has been debated publicly for many years and reported; it is a program that allows work with

the hospitals through an assessment program to generate revenue to bring down Federal matching funds; without it, the hospitals would be in serious problems; there is a meeting on Emergency Medical Services (EMS) today; one hospital has closed; it would be a huge problem for the State of Florida if the Board does not adapt, so it does not get caught in this freeze; and he was not aware that the big beautiful bill was freezing these rates. He commented this will save the Brevard County taxpayers millions of dollars and it will bring down hard-earned Federal funds to provide the most basic of services, healthcare, for the constituents; he can think of nothing more important than saving taxpayer's dollars and providing healthcare for the citizens; it does not get more critical than that; this is really important; and he inquired if every county in the State of Florida is going to have to do what this Board is doing now.

Ms. Rexford replied about 25 or 26 jurisdictions; she explained it is only the counties that have a Local Provider Participation Fund (LPPF); some counties cannot do it because they only have one hospital, and under Federal law they would not qualify to have an LPPF; but, all the jurisdictions and so far she only has Brevard County today and Leon County left; they have done all the others; and all the votes have been successful and unanimous.

Commissioner Altman stated if any member of the public, Ms. Sullivan included, wanted to get more information about this program, he will offer himself and his office as a resource; he can provide a lot of history and data; it is pretty complex and Florida has probably led the nation; and this is really important.

Chairman Feltner advised he has three other cards and he thinks they are going to waive in support; Cortez Whetley waves in support; Terry Ford waives in support; and Stephen Lord waives in support; and he calls for discussion and/or a vote on the Item.

There being no further comments or objections, the Board adopted Resolution No. 25-049, that will impose non-ad valorem special assessments against private for-profit and non-profit local hospitals holding a right of possession and right of use to real property in Brevard County for the State's Medicaid Managed Care Fund for Direct Payment Program; authorized the Chair to execute the Resolution; and authorized the County Manager to execute any necessary Budget Change Requests necessary to implement the non-ad valorem special assessment program for the Medicaid Managed Care for Direct Payment Program for local hospitals and to execute the Letter of Agreement with the State of Florida authorizing the County's participation to this program.

Result: ADOPTED

Mover: Tom Goodson

Second: Thad Altman

Ayes: Delaney, Goodson, Adkinson, Feltner, and Altman

K. PUBLIC COMMENTS

Sandra Sullivan stated she has previously expressed concern to the Board because in 2021 there was a 33 percent assessment for fire and it did not really pan out because the cost of growth was so high and there was not enough money to really address what the intent of that was, which was to close the gap on the wages for fire; here the County is with even more growth and it is doing a 37 percent increase; the Magistrate's report indicated the County's words that were competing growth money with paying wages; a couple statements in there suggest that the County does not have enough money to address both; she just wants to mention the idea brought forth by firefighter John Dacko is absolutely brilliant, a one-cent or half-cent sales tax; if the Board thinks about it there are 24 new hotels coming online; Brevard

County is a tourist county; and the firefighters go to the hospitals, to the Port, to the beaches, and they do all these calls that are tourism related, so the sales tax makes a lot of sense. She continued by saying what the Board is talking about as a contract right now is not going to fix the problem, it is a Band-Aid, but the County is still bleeding; the suggestion she is going to make is because there are two crises hitting the County; there is, the Federal government just came down, Brevard County still has the highest deaths of Manatees every year, the Lagoon is problematic, the County cannot put in any more septic systems, and it needs to expand its sewer systems; some of those projects were just cut by Governor Ron DeSantis, and her suggestion would be to not wait until 2026, to pay the cost, and the cost of doing business; to do two referendums, one for infrastructure surtax with a half-cent for transportation, a half-cent to address the sewage plants over and near capacity, and the pipes that need to go to them and the old pipes as well as storm water; and do a second one, either a half-cent or full cent, for Fire and EMS. She mentioned the County needs a good hazmat, and it could deal with a Federal Emergency Management Agency (FEMA) team because FEMA is being cut; there are a lot of things that can be done here to do this right with not a lot of expense; she spoke with Tim Bobanic, Supervisor of Elections, and she thinks the Board needs to this; she does not think it can wait another year; and this is the right way to do it.

L.7. Rob Feltner, Commissioner District 4, Chairman

Chairman Feltner advised the Board that the Executive Session will start at 9:30 a.m.

ADJOURN

Upon Consensus of the Board, the meeting adjourned at 9:18 a.m.

ATTEST:

RACHEL M. SADOFF, CLERK

COMMISSIONERS

ROB FELTNER, CHAIRMAN
BOARD OF COUNTY

BREVARD COUNTY, FLORIDA