

By the Committee on Comprehensive Planning, Local and Military Affairs; and Senator Mitchell

316-1948-00

1 A bill to be entitled
2 An act relating to discretionary sales
3 surtaxes; amending s. 212.055, F.S.; expanding
4 the authorized use of the indigent care surtax
5 to include trauma centers; renaming the surtax;
6 requiring the plan set out in the ordinance to
7 include additional provisions concerning Level
8 I trauma centers; providing requirements for
9 annual disbursements to hospitals on October 1
10 to be in recognition of the Level I trauma
11 status and to be in addition to a base contract
12 amount plus any negotiated additions to
13 indigent care funding; authorizing certain
14 counties to levy a voter-approved indigent care
15 surtax; providing for the surtax to be
16 conditioned upon approval by a majority vote of
17 the electors; limiting the rate of the surtax;
18 providing requirements for the ordinance
19 adopted by the governing body of the county
20 which imposes the surtax; providing for
21 proceeds of the surtax to be used to provide
22 health care services to qualified residents;
23 defining the term "qualified resident";
24 providing for the administration of proceeds
25 collected pursuant to the surtax; limiting the
26 total amount of certain local option sales
27 surtaxes that may be imposed by a county;
28 providing an effective date.

30 Be It Enacted by the Legislature of the State of Florida:
31

1 Section 1. Subsection (4) of section 212.055, Florida
2 Statutes, is amended, and subsection (7) is added to that
3 section, to read:

4 212.055 Discretionary sales surtaxes; legislative
5 intent; authorization and use of proceeds.--It is the
6 legislative intent that any authorization for imposition of a
7 discretionary sales surtax shall be published in the Florida
8 Statutes as a subsection of this section, irrespective of the
9 duration of the levy. Each enactment shall specify the types
10 of counties authorized to levy; the rate or rates which may be
11 imposed; the maximum length of time the surtax may be imposed,
12 if any; the procedure which must be followed to secure voter
13 approval, if required; the purpose for which the proceeds may
14 be expended; and such other requirements as the Legislature
15 may provide. Taxable transactions and administrative
16 procedures shall be as provided in s. 212.054.

17 (4) INDIGENT CARE AND TRAUMA CENTER SURTAX.--

18 (a) The governing body in each county the government
19 of which is not consolidated with that of one or more
20 municipalities, which has a population of at least 800,000
21 residents and is not authorized to levy a surtax under
22 subsection (5) or subsection (6), may levy, pursuant to an
23 ordinance either approved by an extraordinary vote of the
24 governing body or conditioned to take effect only upon
25 approval by a majority vote of the electors of the county
26 voting in a referendum, a discretionary sales surtax at a rate
27 that may not exceed 0.5 percent.

28 (b) If the ordinance is conditioned on a referendum, a
29 statement that includes a brief and general description of the
30 purposes to be funded by the surtax and that conforms to the
31 requirements of s. 101.161 shall be placed on the ballot by

1 the governing body of the county. The following questions
2 shall be placed on the ballot:

3

4 FOR THE . . . CENTS TAX

5 AGAINST THE . . . CENTS TAX

6

7 (c) The ordinance adopted by the governing body
8 providing for the imposition of the surtax shall set forth a
9 plan for providing health care services to qualified
10 residents, as defined in paragraph (d). Such plan and
11 subsequent amendments to it shall fund a broad range of health
12 care services for both indigent persons and the medically
13 poor, including, but not limited to, primary care and
14 preventive care as well as hospital care. The plan must also
15 address the services to be provided by the Level I trauma
16 center.It shall emphasize a continuity of care in the most
17 cost-effective setting, taking into consideration both a high
18 quality of care and geographic access. Where consistent with
19 these objectives, it shall include, without limitation,
20 services rendered by physicians, clinics, community hospitals,
21 mental health centers, and alternative delivery sites, as well
22 as at least one regional referral hospital where appropriate.
23 It shall provide that agreements negotiated between the county
24 and providers, including hospitals with a Level I trauma
25 center,will include reimbursement methodologies that take
26 into account the cost of services rendered to eligible
27 patients, recognize hospitals that render a disproportionate
28 share of indigent care, provide other incentives to promote
29 the delivery of charity care, promote the advancement of
30 technology in medical services, recognize the level of
31 responsiveness to medical needs in trauma cases,and require

1 cost containment including, but not limited to, case
2 management. It must also provide that any hospitals that are
3 owned and operated by government entities on May 21, 1991,
4 must, as a condition of receiving funds under this subsection,
5 afford public access equal to that provided under s. 286.011
6 as to meetings of the governing board, the subject of which is
7 budgeting resources for the rendition of charity care as that
8 term is defined in the Florida Hospital Uniform Reporting
9 System (FHURS) manual referenced in s. 408.07. The plan shall
10 also include innovative health care programs that provide
11 cost-effective alternatives to traditional methods of service
12 delivery and funding.

13 (d) For the purpose of this subsection, the term
14 "qualified resident" means residents of the authorizing county
15 who are:

16 1. Qualified as indigent persons as certified by the
17 authorizing county;

18 2. Certified by the authorizing county as meeting the
19 definition of the medically poor, defined as persons having
20 insufficient income, resources, and assets to provide the
21 needed medical care without using resources required to meet
22 basic needs for shelter, food, clothing, and personal
23 expenses; or not being eligible for any other state or federal
24 program, or having medical needs that are not covered by any
25 such program; or having insufficient third-party insurance
26 coverage. In all cases, the authorizing county is intended to
27 serve as the payor of last resort; or

28 3. Participating in innovative, cost-effective
29 programs approved by the authorizing county.

30 (e) Moneys collected pursuant to this subsection
31 remain the property of the state and shall be distributed by

1 the Department of Revenue on a regular and periodic basis to
2 the clerk of the circuit court as ex officio custodian of the
3 funds of the authorizing county. The clerk of the circuit
4 court shall:

5 1. Maintain the moneys in an indigent health care
6 trust fund;

7 2. Invest any funds held on deposit in the trust fund
8 pursuant to general law; and

9 3. Disburse the funds, including any interest earned,
10 to any provider of health care services, as provided in
11 paragraphs (c) and (d), upon directive from the authorizing
12 county. However, if a county has a population of at least
13 800,000 residents and has levied the surtax authorized in this
14 subsection, notwithstanding any directive from the authorizing
15 county, on October 1 of each calendar year, the clerk of the
16 court shall issue a check in the amount of \$6 million to a
17 hospital in its jurisdiction that has a Level I trauma center
18 or shall issue a check in the amount of \$3 million to a
19 hospital in its jurisdiction that has a Level I trauma center
20 if that county enacts and implements a hospital lien law in
21 accordance with chapter 98-499, Laws of Florida. The issuance
22 of the checks on October 1 of each year is provided in
23 recognition of the Level I trauma center status and shall be
24 in addition to the base contract amount received during fiscal
25 year 1999-2000 and any additional amount negotiated to the
26 base contract.

27 (f) Notwithstanding any other provision of this
28 section, a county shall not levy local option sales surtaxes
29 authorized in this subsection and subsections (2) and (3) in
30 excess of a combined rate of 1 percent.

31 (g) This subsection expires October 1, 2005.

1 (7) VOTER-APPROVED INDIGENT CARE SURTAX.--
2 (a) The governing body in each county that has a
3 population of less than 800,000 residents may levy an indigent
4 care surtax pursuant to an ordinance conditioned to take
5 effect only upon approval by a majority vote of the electors
6 of the county voting in a referendum. The surtax may be levied
7 at a rate not to exceed 0.5 percent.
8 (b) A statement that includes a brief and general
9 description of the purposes to be funded by the surtax and
10 that conforms to the requirements of s. 101.161 shall be
11 placed on the ballot by the governing body of the county. The
12 following questions shall be placed on the ballot:
13
14 FOR THE. . . .CENTS TAX
15 AGAINST THE. . . .CENTS TAX
16
17 (c) The ordinance adopted by the governing body
18 providing for the imposition of the surtax must set forth a
19 plan for providing health care services to qualified
20 residents, as defined in paragraph (d). The plan and
21 subsequent amendments to it shall fund a broad range of health
22 care services for indigent persons and the medically poor,
23 including, but not limited to, primary care and preventive
24 care, as well as hospital care. It shall emphasize a
25 continuity of care in the most cost-effective setting, taking
26 into consideration a high quality of care and geographic
27 access. Where consistent with these objectives, it shall
28 include, without limitation, services rendered by physicians,
29 clinics, community hospitals, mental health centers, and
30 alternative delivery sites, as well as at least one regional
31 referral hospital where appropriate. It shall provide that

1 agreements negotiated between the county and providers will
2 include reimbursement methodologies that take into account the
3 cost of services rendered to eligible patients, recognize
4 hospitals that render a disproportionate share of indigent
5 care, provide other incentives to promote the delivery of
6 charity care, and require cost containment including, but not
7 limited to, case management. The plan must also include
8 innovative health care programs that provide cost-effective
9 alternatives to traditional methods of service delivery and
10 funding.

11 (d) For the purpose of this subsection, the term
12 "qualified resident" means residents of the authorizing county
13 who are:

14 1. Qualified as indigent persons as certified by the
15 authorizing county;

16 2. Certified by the authorizing county as meeting the
17 definition of the medically poor, defined as persons having
18 insufficient income, resources, and assets to provide the
19 needed medical care without using resources required to meet
20 basic needs for shelter, food, clothing, and personal
21 expenses; not being eligible for any other state or federal
22 program or having medical needs that are not covered by any
23 such program; or having insufficient third-party insurance
24 coverage. In all cases, the authorizing county shall serve as
25 the payor of last resort; or

26 3. Participating in innovative, cost-effective
27 programs approved by the authorizing county.

28 (e) Moneys collected pursuant to this subsection
29 remain the property of the state and shall be distributed by
30 the Department of Revenue on a regular and periodic basis to
31 the clerk of the circuit court as ex officio custodian of the

1 funds of the authorizing county. The clerk of the circuit
2 court shall:

3 1. Maintain the moneys in an indigent health care
4 trust fund;

5 2. Invest any funds held on deposit in the trust fund
6 pursuant to general law; and

7 3. Disburse the funds, including any interest earned,
8 to any provider of health care services, as provided in
9 paragraphs (c) and (d), upon directive from the authorizing
10 county.

11 (f) Notwithstanding any other provision of this
12 section, a county may not levy local option sales surtaxes
13 authorized in this subsection and subsections (2) and (3) in
14 excess of a combined rate of 1 percent.

15 Section 2. This act shall take effect upon becoming a
16 law.

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18 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
19 COMMITTEE SUBSTITUTE FOR
20 SB 1394

21 The CS differs from the bill as filed in the following ways:

22 The CS creates a new "VOTER-APPROVED INDIGENT CARE SURTAX."
23 Counties with less than 800,000 residents could impose the
surtax, with referendum approval.

24 The CS also renames the INDIGENT CARE SURTAX as the INDIGENT
25 CARE AND TRAUMA CENTER SURTAX, and requires tax proceeds be
26 provided to a hospital with a Level I trauma center in the
county.