${\bf By}$ the Committee on Comprehensive Planning, Local and Military Affairs; and Senator Mitchell

316-1911-02

A bill to be entitled

An act relating to health care; amending s. 212.055, F.S.; allowing small counties having a specified population to levy an indigent care surtax; providing procedures; providing uses of the surtax; providing a maximum tax rate; providing an effective date.

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

Section 1. Subsection (7) of section 212.055, Florida Statutes, is amended to read:

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

- (7) VOTER-APPROVED INDIGENT CARE SURTAX.--
- (a) The governing body in each county that has a population of less than 800,000 residents may levy an indigent care surtax pursuant to an ordinance conditioned to take effect only upon approval by a majority vote of the electors of the county voting in a referendum. The surtax may be levied

at a rate not to exceed 0.5 percent, except that if a publicly supported medical school is located in the county, the rate shall not exceed 1 percent.

(b) A statement that includes a brief and general description of the purposes to be funded by the surtax and that conforms to the requirements of s. 101.161 shall be placed on the ballot by the governing body of the county. The following questions shall be placed on the ballot:

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(c) Notwithstanding paragraph (a), the governing body in each county that has a population of fewer than 30,000 residents may levy an indigent care surtax conditioned to take effect only upon approval by a majority vote of the electors of the county voting in a referendum. In addition to the uses otherwise set out in this subsection, a county that has a population of fewer than 30,000 residents may use the services of the Division of Bond Finance of the State Board of Administration pursuant to the State Bond Act to issue bonds under this subsection. A jurisdiction may not issue bonds under this subsection more frequently than once per year. Any county that has a population of fewer than 30,000 residents at the time the bonds authorized in this subsection are issued retains the authority granted under this subsection throughout the term of the bonds, including the term of any refinancing bonds, regardless of any subsequent increase in population which results in the county's having 30,000 or more residents. The rate of the surtax levied under this paragraph may not exceed 1 percent.

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(d)(c) The ordinance adopted by the governing body providing for the imposition of the surtax must set forth a plan for providing health care services to qualified residents, as defined in paragraph(e)(d). The plan and subsequent amendments to it shall fund a broad range of health care services for indigent persons and the medically poor, including, but not limited to, primary care and preventive care, as well as hospital care. It shall emphasize a continuity of care in the most cost-effective setting, taking into consideration a high quality of care and geographic access. Where consistent with these objectives, it shall include, without limitation, services rendered by physicians, clinics, community hospitals, mental health centers, and alternative delivery sites, as well as at least one regional referral hospital where appropriate. It shall provide that agreements negotiated between the county and providers shall include reimbursement methodologies that take into account the cost of services rendered to eligible patients, recognize hospitals that render a disproportionate share of indigent care, provide other incentives to promote the delivery of charity care, and require cost containment, including, but not limited to, case management. The plan must also include innovative health care programs that provide cost-effective alternatives to traditional methods of service delivery and funding. In addition to the services otherwise authorized under this subsection, in counties having a population of fewer than 30,000 residents the plan for providing health care services to qualified residents may, by an extraordinary vote of the county commission, provide that some or all of the surtax revenues and any interest accrued thereon must be expended for the purpose of servicing bond indebtedness

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incurred to finance, plan, construct, or reconstruct a public hospital in the county and for any land acquisition, land improvement, design, or engineering costs related thereto, if the county commission has determined that a currently existing public hospital would, more likely than not, otherwise cease to operate.

(e) (d) As used in For the purpose of this subsection, the term "qualified residents" means residents of the authorizing county who are:

- Qualified as indigent persons as certified by the authorizing county;
- Certified by the authorizing county as meeting the definition of the medically poor, defined as persons having insufficient income, resources, and assets to provide the needed medical care without using resources required to meet basic needs for shelter, food, clothing, and personal expenses; not being eligible for any other state or federal program or having medical needs that are not covered by any such program; or having insufficient third-party insurance coverage. In all cases, the authorizing county shall serve as the payor of last resort; or
- 3. Participating in innovative, cost-effective programs approved by the authorizing county.
- (f) (e) Moneys collected pursuant to this subsection remain the property of the state and shall be distributed by the Department of Revenue on a regular and periodic basis to the clerk of the circuit court as ex officio custodian of the funds of the authorizing county. The clerk of the circuit court shall:
- 1. Maintain the moneys in an indigent health care 31 trust fund.

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1	2. Invest any funds held on deposit in the trust fund
2	pursuant to general law.
3	3. Disburse the funds, including any interest earned,
4	to any provider of health care services, as provided in
5	paragraphs (c) and (d), upon directive from the authorizing
6	county.
7	4. Disburse the funds, including any interest accrued
8	thereon, to service any bond indebtedness otherwise authorized
9	in this section, upon a directive from the authorizing county,
10	which directive may be irrevocably given at the time the bond
11	indebtedness is incurred.
12	$\frac{(g)}{(f)}$ Notwithstanding any other provision of this
13	section, a county may not levy local option sales surtaxes
14	authorized in this subsection and subsections (2) and (3) in
15	excess of a combined rate of 1 percent or, if a publicly
16	supported medical school is located in the county $\underline{ ext{or the}}$
17	county has a population of fewer than 30,000 residents, in
18	excess of a combined rate of 1.5 percent.
19	Section 2. This act shall take effect October 1, 2002.
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21	STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR
22	SB 1374
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24	This CS differs from the bill as filed in that it removes the
25	option to levy the indigent care surtax by extraordinary vote of the county commission.
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