



# 2024 Legislative Priorities

## From the Office of Government Relations

For more than 100 years, Lee Health has been Southwest Florida's healthcare provider of choice. Our team and our system of care has grown together with our community. The health system operates four acute care hospitals, two specialty hospitals, outpatient centers, walk-in medical centers, primary care and specialty physician practices, a home health agency and skilled nursing centers. It is home to the area's only children's hospital and trauma center. Lee Health is Lee County's largest employer, with more than 15,000 employees, 2,500 physicians and advanced providers on its medical staff and 4,000 volunteers. In FY 2023, Lee Health operations exceeded \$3 billion and served over 2 million patient contacts — all without any direct local tax support! Lee Health is the largest public health system in the United States to operate without receiving local tax support. Remaining a top-tier, local safety-net system and delivering world-class healthcare to patients, regardless of their ability to pay is our core mission.

### Community Benefits

Lee Health is a valuable member of our community, contributing hundreds of millions of dollars annually in community benefit for services such as charity care, financing unreimbursed government-sponsored programs, community education, prevention, and outreach. Lee Health provides an excellent return on investment for SWFL. In 2022, the \$165 million in total community benefit delivered by Lee Health far exceeded any property taxes a for-profit health system may contribute. Our community benefit continues to grow annually and will be updated in the Spring of 2024.

- **Cost of Charity Care: \$82,473,231**
- **Cost of Unpaid Medicaid: \$115,958,562**
- **Cost of Providing Community Benefit and Outreach: \$51,851,803**
- **Cost of Unpaid Medicare: \$578,551,305**  
\*Since Medicare is not a means-tested program, it is not included in the overall total of Lee Health's community benefit expenditures.
- **Community health education through informational programs, publications and outreach activities in response to community needs: \$20,360,712**
- **Lee Community Healthcare low income clinics: \$12,206,438**
- **Residency Programs: \$10,644,886**

#### Cost of Charity Care

Charity care is free or discounted health services for patients who cannot afford to pay and meet the eligibility criteria of Lee Health's financial assistance policy. Reported costs, not charges.

#### Cost of Unpaid Medicaid

Government-sponsored healthcare includes unpaid costs of public programs for low-income patients — the shortfall created when Lee Health receives payments that are less than the cost of caring for public program beneficiaries.

#### Less the Benefit of Tax Exempt Status

Lee Health is a not-for-profit public hospital system. This calculation illustrates that our Community Benefit investments are six times greater than the dollar amount of taxes Lee Health would pay if it were a tax-paying entity.

### 2024 State & Federal Requests

#### Increase Tomorrow's Healthcare Workforce

Large-scale population growth has exacerbated the national healthcare workforce shortage here in Florida. Lee Health supports State and Federal programs that create opportunities to increase the healthcare workforce of today while building for tomorrow.

- Lee Health is requesting \$65,000,000 in State and Federal appropriations to construct the Lee Health Graduate Medical Education Center (GMEC).
  - The GMEC will expand Lee Health's medical education programs to train more than 132 physician residents annually.
  - Data demonstrates that 65% of GME residents end up practicing where they train.
  - Physician residents can provide essential care and be reimbursed as they train.
  - The GMEC will bring medical research capabilities to the community as well as a state-of-the-art simulation lab for physician training in a 84,255 square foot facility outfitted with the latest technology, patient rooms, and clinical education space.
  - Conservative estimates show the program will generate \$30 million in local economic impact annually.
- Increase the number of residency slots eligible for Medicare funding while rejecting cuts to GME.
- Reauthorize nursing workforce development programs to support recruitment, retention and advanced education for nurses and other health professionals.
  - \$500,000 was awarded to FGCU for Lee Health to match, totaling \$1 million for the Linking Industry to Nursing Education (LINE) program to fund scholarships, additional simulation equipment, on-board additional FGCU nurse graduates at Lee Health, and expand the total number of nursing graduates at FGCU.
  - Support expansion of LINE Grants and other healthcare workforce education programs.
  - Support federal approval of the Florida First Graduate Nurse Education Program.



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### Telemedicine / Telehealth

Lee Health has utilized telemedicine to increase access, convenience, and cost savings for its patients. COVID-19 highlighted the need for expanded telemedicine services and flexible reimbursement models. Lee Health encourages lawmakers to:

- Make permanent coverage of certain telehealth services made possible during the PHE, including lifting geographic and originating site restrictions.
- Allow Rural Health Clinics and Federally Qualified Health Centers (FQHCs) to serve as distant sites.
- Expand practitioners who can provide telehealth services.
- Allow hospital outpatient billing for virtual services.

### Hurricane Ian Recovery and Emergency Management

One year after Hurricane Ian ravaged Southwest Florida, our region continues efforts to rebuild stronger. To better serve our community before, during, and after natural disasters, Lee Health is seeking assistance with deploying projects to help make Southwest Florida more resilient, including:

- Lee Health Resilient Water Wells: \$6,000,000 to construct independent water access wells at each Lee Health acute care facility to ensure continued operations in the event of municipal or county water supply failure.
- Mobile Medical Fleet: \$3,300,000 for the acquisition of three (3) mobile medical units with exam rooms, pharmacy, lab, and other resources to deliver care when and where it is needed most in Southwest Florida.
- Lee Health Central Lab Facility: \$80,000,000 to construct a state-of-the-art lab facility to improve timely delivery of lab specimens, provide quicker test results, and revitalize a distressed area by providing well-paying jobs in an new facility with convenient access to attainable housing.
- Supporting our staff with access to attainable housing is a top priority for Lee Health.
- As our community and state grow, Lee Health urges lawmakers to invest in upgrading critical water and transportation infrastructure to help mitigate the influx of new visitors and residents.

### Water Quality & Public Health Impacts

Lee Health's infectious disease epidemiologists work with local leaders to determine water quality health impacts and provide best practices for well-informed decision making. Lee Health supports research initiatives such as those being conducted at the Florida Gulf Coast University Water School. The health system's goal is to aid with solving water quality issues that impact human health. This support is driven by subject matter experts, data, and sponsorships. Federal, state, and local government agencies have directed dollars to study and mitigate the impacts of red tide, nutrient runoff, and harmful algae blooms. Lee Health supports these efforts.

### Protect Healthcare Funding

Government-sponsored healthcare programs such as Medicare and Medicaid represent 65% of the total patients served at Lee Health, and reimbursements do not cover the full cost of care provided. In fact, Lee Health receives just 60% of the cost of care we provide to Medicaid patients. Increases in labor costs and inflation have created financial challenges for all hospitals. Lee Health requests that state and federal lawmakers protect health care funding programs that include no cuts to hospital reimbursements.

- Ensure that Medicaid hospital supplemental payments, including Directed Payment Program (DPP), Low Income Pool (LIP), Physician Supplemental Payment (PSP) and other payment options, as well as the financing sources that support them, continue to be available to help Florida hospitals serve the Medicaid, uninsured and underinsured populations in their communities.
- Protect the 340B drug pricing program to ensure communities have access to more affordable drug therapies and hold drug manufacturers accountable to the rules.
- Expand coverage to Medicaid patient populations at an inpatient reimbursement rate for Hospital-at-Home programs and allow patients to be admitted in the program from non-emergency department settings like physician offices or mobile healthcare units operated by hospital providers.
- Florida hospitals are facing increased average lengths of stays (ALOS) due to post-acute and behavioral health care facilities staffing shortages. Establish a temporary payment targeted to address the issues of hospitals not being able to discharge patients in a timely, appropriate manner.
- Oppose Site-Neutral and Disproportionate Share Hospital (DSH) payment reductions in Congress that will negatively impact Medicare reimbursements to every hospital and health care system in America.

### Increase Access to Behavioral Healthcare

Addressing the behavioral health crisis in Florida requires a multi-faceted approach involving increased funding, expansion of mental health facilities, more providers, and support for stronger families.

- Lee Health is supporting a request for a \$20,000,000 Crisis Intervention Center in Southwest Florida to receive and stabilize Baker Act and substance use disorder patients.
- Allow advanced providers to practice up to trained scope.
- Expand Medicaid coverage with supplemental payments for providers to treat behavioral health patients.
- Offer financial incentives for behavioral health clinicians to adopt EHRs and facilitate information exchange.
- Provide financial incentives and require accountability to build integrated care delivery into existing payment models for Medicaid MCOs, Medicare ACOs, and MA plans.
- Require entities funded by Managing Entities to work directly with local emergency departments and inpatient hospitals for timely placement of patients in need.