



Lee Health has served Southwest Florida for more than 100 years! The centennial plus institution is a pillar of the community and largest employer in the region. This Safety-Net institution employs roughly 15,000 staff that provide care for nearly 2 million patient contacts each year. The system's six hospitals include a Level II Trauma Center, Regional Cancer Center, and the Golisano Children's Hospital of Southwest Florida. Lee Health is the nation's largest public health system to operate without collecting or receiving any form of direct local tax support. Operations exceeded \$2.5 billion in FY 2022. The system will meet the health care needs of patients whether or not they can pay for their care. Lee Health delivers exceptional care during pandemics, hurricanes, and every day of the week, 365 days per year no matter the challenge. We are caring people, inspiring health!

YOUR COMMUNITY BENEFITS

Return on Investment

- Lee Health is a valuable member of our community, contributing hundreds of millions of dollars annually in community benefit for services such as unreimbursed government-sponsored programs, community education, prevention, and outreach. In 2021 Lee Health provided \$242 million in total community benefit and \$160 million less the benefit of taxes. Lee Health provides exceptional return on investment for SWFL.

• Cost of Unpaid Medicaid: \$99,496,905

• Cost of Charity Care \$80,695,457

• Cost of Community Benefit Programs/Services: \$62,801,777

• Community health education through informational programs, publications and outreach activities in response to community needs: \$13,216,929

• Lee Community Healthcare low income clinics: \$29,936,116

• Residency Program: \$6,289,616

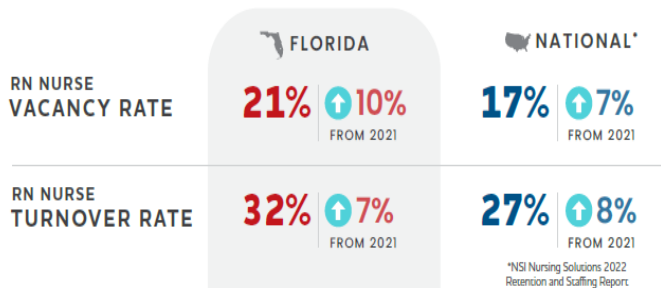
• Cost of Unpaid Medicare: \$260,731,488

* Since Medicare is not a means-tested program, it is not included in the overall total of Lee Health's community benefit expenditures.



Workforce

- Facing a critical workforce shortage exacerbated by the COVID-19 pandemic and an increasingly competitive job market, Lee Health adjusted the base pay of our registered nurses and advanced providers who perform direct patient care by 10%.



Training Tomorrow's Doctors & Nurses

- Lee Health supports continued funding for the Graduate Medical Education (GME) residency programs as well as the physician supplemental payment program, and Indirect Medical education program.
- Training doctors and providing them opportunities to practice locally is a priority for Lee Health. Lee Health's GME Family Medicine program has graduated 47 Residents and 9 Global Health Fellows for a total of 56 physicians.
- 14 of the Family Medicine Resident and 1 of the Global Health Fellows took a job with Lee Health, totaling 15 physicians.
- There are 27 Family Medicine Residents who remained in the SWFL area to practice medicine, and 1 Global Health Fellow, totaling 28 physicians who have remained in the SWFL.
- There are 8 additional Family Medicine Residents who practice in other areas of Florida. There are 2 Global Health Fellows who practice in other areas of Florida, which means there are 10 graduates that remain working in Florida, outside of SWFL.

- 74% of Family Medicine Residents have stayed to serve in Florida. 44% of Global Health Fellows have stayed to serve in Florida. 70% of Graduates have stayed to serve in Florida.
- Lee Health opened a second GME program in internal medicine at Cape Coral Hospital. Like our successful family medicine program, Florida State University's College of Medicine will serve as the institutional sponsor. The program is approved to accept 12 residents a year for a total of 36 at full capacity.
- \$500,000 was awarded to FGCU for Lee Health to match totaling \$1 million to fund student scholarships, purchase additional simulation equipment, on-board additional FGCU nurse graduates at Lee Health, and expand the total number of nursing graduates at FGCU.

Behavioral Healthcare Access

- The United States and the State of Florida are experiencing a behavioral crisis that requires continued action in order to address this alarming trend.
- Codify COVID-19 Emergency Order authority allowing for expanded telehealth utilization.
- Offer financial incentives for behavioral health clinicians to adopt EHRs and facilitate information exchange.
- Expand Medicaid coverage with supplemental payments for providers to treat behavioral health patients.
- 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 the accredited Florida network Managing Entities to work directly with local emergency departments and inpatient hospitals for timely placement of patients in need.
- Lee Health has several innovative projects to expand access to pediatric behavioral health throughout Southwest Florida including:
 - The Autism Center at GCHSWFL
 - GCHSWFL's Autism Spectrum Disorder Screening and Early Intervention Program
 - GCHSWFL's Down Syndrome Clinic
 - The National Center of Pediatric Special Needs Medical Program

Hurricane Ian Recovery

- Southwest Florida was devastated by Hurricane Ian in late September 2022.
- Lee Health's staff displayed incredible heroism working before, during, and after the storm to deliver exceptional patient care.
- The Lee Health team met every challenge head on, keeping ALL of our hospitals and emergency departments operating at some capacity while our community needed us most.
- The damage caused by the storm has created substantial need for attainable housing, child care, and transportation for health system staff.
- Direct reimbursements, flexibilities for operations, workforce assistance, and long term incentives will be needed for full recovery of our region.



Telemedicine/Telehealth

- Lee Health utilizes telemedicine in numerous care delivery scenarios. COVID-19 has highlighted the need for expanded telemedicine services and reimbursement models.
- Telehealth can serve as an important tool for answering medical questions before, during, and after natural disasters. Lee Health has offered free telehealth services during hurricane season and the COVID-19 pandemic.
- The Florida Legislature and Congress should act to codify telemedicine advancements made during the COVID-19 pandemic.

Water Quality & Public Health Impacts

- Lee Health supports research initiatives such as those being conducted at the Florida Gulf Coast University Water School and will provide as much assistance as possible in providing data. Federal, state, and local government agencies have been directed to appropriate specific dollars to study and mitigate all impacts of harmful algae blooms.

2023 STATE & FEDERAL REQUESTS

Support Changes to Lee Health’s Enabling Legislation

- Lee Health’s first hospital was built in 1916 and the legislation creating the public hospital district was enacted in 1963. The enabling Act has been amended 12 times in 60 years but has not changed since the year 2000.
- In 2019, the Florida Legislature repealed Certificate of Need and the Florida Supreme Court limited Independent Special Hospital District Authority.
- Lee Health is seeking to modernize its enabling legislation in a manner that allows the largest public hospital district in the nation that collects no form of local taxation to maintain a public mission without being limited to an artificial border.

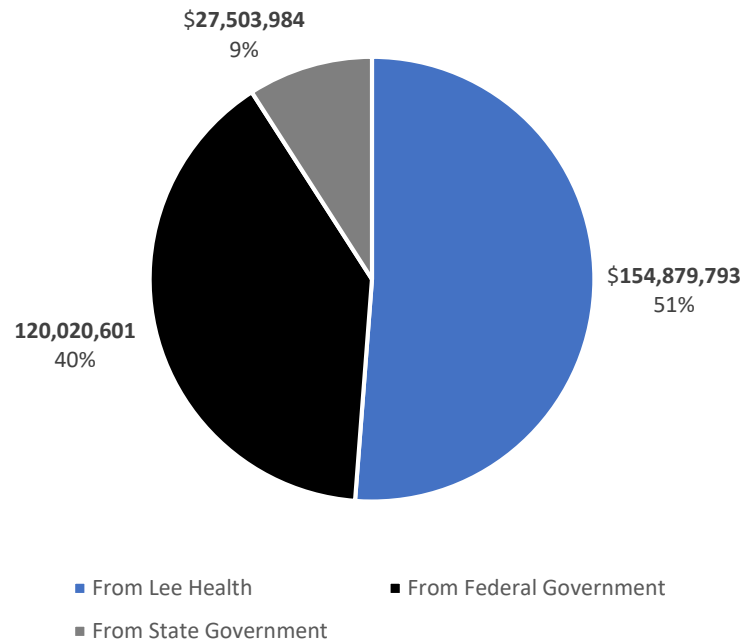
Protect State Medicaid Reimbursement

- In 2022, the Florida Legislature ended critical care funding also known as auto-rate enhancements.
- Medicaid does not cover the full cost of care provided to Medicaid members. Base and supplemental Medicaid rates directed to healthcare providers must not be cut.
- When the Federal COVID-19 Public Health Emergency (PHE) ends, Medicaid redetermination will occur and there will be a 6% reduction in reimbursement rates.

Lee Health is a strong partner with the state of Florida in paying for its Medicaid program

- While Medicaid is a federal-state program that pays for health care for the poor, Lee Health pays a significant portion of the state’s share in SWFL.
- In 2021, the total cost of Lee Health providing Medicaid services to the people of Southwest Florida was \$302.4 million.
- About 40% of that amount (\$120 million) was funded by the federal government. Roughly 9% (\$27.5 million) was funded by the state government.
- The remaining 51% (\$154.9 million) was funded by Lee Health itself through hospital taxes imposed by the state of Florida (\$22.1 million), Intergovernmental Transfers (\$33.3 million), and local dollars from the operational budget spent to cover the Medicaid shortfall (\$99.5 million) considered as part of all Medicaid expenditures.

2021 Lee Health Medicaid Funding



Low Income Pool

- The Federal Government has approved the full Florida Low Income Pool authorization up to \$2.167 billion.
- Problem: Counties with public hospitals should no longer be expected to give away \$40 million of their local citizens’ money that never returns to their county.
- Solution: Amend the LIP model to incentivize all counties to provide LIP match funding for the charity care provided to their citizens.
- How: The new directed payment program (DPP) has proven that counties without public hospitals can create local provider participation partnerships to generate their own community’s state match share of Medicaid payment.

Trauma Regulation

- Lee Health continues to offer exceptional trauma care at our Level II Trauma Center and will pursue any expansions determined necessary by our Board, qualifications in statute, and the Florida Trauma System Advisory Council.

Protect 340B Drug Pricing Program

- Congress created the 340B program to limit the price that drug manufacturers may demand of safety net providers. This was done to give ‘covered entities’ access to price reductions in order to stretch scarce federal resources. These covered entities, who by statute include only government-owned or not-for-profit safety-net providers, should be protected from drug manufacturers price hikes.
- Support legislation that prohibits health insurers and Pharmacy Benefit Managers (PBMs) from discrimination against 340B providers or their contract pharmacies