



Hospitals strive to provide the best health care possible despite burdensome and duplicative regulations.

Community Hospitals

Because a strong health care system is important to attracting and keeping businesses in Florida, AIF has formed the Council for Florida's Community Hospitals (CFCH). The group is made up of representatives of investor-owned community hospitals across the state. The Council's purpose is to bring attention to the concerns and special issues community hospitals face as major providers of health care in the state. Health care is not a commodity or a retail business; but to survive, hospitals must follow various business models while providing high quality care to their patients. Hospitals strive to provide the best health care possible despite burdensome and duplicative regulations and by providing uncompensated care to a growing number of uninsured persons in Florida.

Health care is the largest consumer of Florida's budget, but the Legislature has not been able to meet existing needs in light of state budget deficits. Emergency rooms and trauma centers are becoming the source of health care for the poor. Florida's numbers of Medicaid and uninsured are growing and with ever-shrinking sources of revenue, hospitals must work together to ensure the quality of care is not compromised. Floridians believe there is a crisis in the future, and we as industry leaders must address these issues.

Council Priorities

The Council's priorities for 2012 include, but are not limited to:

- **Low Income Pool (LIP)** – Support a Low Income Pool (LIP) model that is based on sound formulas, cost efficiency considerations, and the volume and quality of care provided. Distribution of LIP funds should be made by the Legislature to hospitals in a manner where “money follows the patient” and without undue influence from any self-motivated advisory councils.
- **Legal Reform** – Support legislation to address recent Florida court decisions that have expanded the scope of hospitals' vicarious liability under the doctrine of “non-delegable duty.” These courts have ruled that hospitals are liable for the actions of non-employed or contracted physicians. This broad interpretation makes hospitals potentially liable for all health care providers that contract with the hospitals or have staff privileges. A reform is needed to clarify that hospitals should not be liable for the actions of independent contractors. This will ensure that hospital resources are not unnecessarily dedicated to cases for which a hospital bears no culpability. Additionally, the Council supports the extension of the current sovereign immunity protections to physicians and hospitals when treating patients in an emergency setting such as the emergency room.
- **Sale or Lease of Public Hospitals for Fair Market Value** – Recent occurrences of the sale or lease of a public hospital to another entity for less than fair market value, despite the existence of offers that are superior both in their financial commitment as well as their value to the taxpayers, have illuminated the need for statutory guidelines and safeguards. There is no mechanism in Florida statutes to ensure that the taxpayer and the community are protected in these transactions by ensuring that full and fair market value is received in exchange for the sale and/or lease of the hospital. There is also no requirement that the hospital board or taxing authority come to an agreement that best optimizes the taxpayers' return on investment, considers the utilization, creation or maintenance of community programs to assist the indigent, or gives preference to proposals that reduce or eliminate the existing tax burden placed on the residents. Legislation should be passed that seeks to remedy these issues by requiring hospital boards and taxing authorities to give weight to proposals that are financially superior, represent full and fair market value, involve maximized capital improvements, reinvest in the community, and seek to substantially reduce or eliminate the tax burden on Floridians.

Council Position

The Council for Florida's Community Hospitals is eager to offer solutions to the state's health care problems that bring about efficiency and cost-savings for our state's taxpayers. Community Hospitals serve a vital role in our communities and provide valuable economic activity by investing capital and employing thousands of Floridians across the state.

Chair: Bryan Anderson • Lobbyist: Bo Rivard, Esq.