



101 N. Gadsden Street
Tallahassee, FL 32301
Office: 850.201.2096 Fax: 850.201.2078



Contacts:

Lindy Kennedy
Vice President of Governmental Relations & Advocacy
Safety Net Hospital Alliance of Florida
(850) 445-2740

Ron Bartlett
Senior Vice President
Hill+Knowlton Strategies
(813) 545-2399 c
(850) 222-4100 o

FOR IMMEDIATE RELEASE

TEACHING HOSPITALS SEEK \$20 MILLION ANNUAL FUNDING TO ADDRESS LOOMING PHYSICIAN SUPPLY CRISIS

The Teaching Hospital Council of Florida and the Safety Net Hospital Alliance of Florida assert the need for State assistance in expanding Florida’s graduate medical education and taking a crucial first step to address the state’s projected growing shortage of physicians in the next decade.

TALLAHASSEE, Fla., March 6, 2015 – Teaching and safety net hospitals announced today they are asking the Florida Legislature for \$20 million in recurring appropriations during the 2015 session to fund the creation of new medical residency programs and slots in specialty fields facing severe shortages.

The proposed funds would be eligible to draw an additional \$30 million in federal matching funds – a 60 percent match – bringing the total amount of new funding for graduate medical education to \$50 million annually. These funds would then augment the \$80 million in recurring state and federal funding currently dedicated to graduate medical education in Florida.

Under the teaching and safety net hospitals’ proposal, the new funding would establish a “Graduate Medical Education Startup Bonus Program” that would provide hospitals a one-time \$100,000 bonus for every new residency slot created in shortage specialties, such as psychiatry, general surgery, rheumatology and thoracic surgery. To encourage retention of programs and slots in specialties facing the most acute shortages, any bonus money remaining each year would be proportionally distributed to all existing residency slots in those shortage specialties.

“We are not, to put it bluntly, training enough physicians. Florida has fallen seriously behind in our obligation to provide an adequate supply of physicians to keep our families and communities healthy. The Graduate Medical Education Startup Bonus Program would be a solid first step in the race to catch up,” said Steven Sonenreich, chairman of the Teaching Hospital Council of Florida and president and chief executive officer of Mount Sinai Medical Center in Miami. “Without more physicians, Florida will have a tough time providing quality health care to our growing, aging and increasingly diverse population.”

The budget request comes two weeks after the Teaching Hospital Council and Safety Net Hospital Alliance released a groundbreaking IHS Global study that found Florida faces a shortage of about 7,000 physician specialists by 2025. The shortfalls will affect all regions of the state, with a statewide deficit of 19 percent in the number of specialists needed to meet population demands over the next decade.

During the press conference unveiling of the study, key state legislators – including Speaker Pro Tempore Matt Hudson of Naples, who is chairman of the House Health Care Appropriations Subcommittee, and Senator Aaron Bean of Jacksonville, who is chairman of the Senate Health Policy Committee – agreed that creating new residency slots is critical to addressing the growing physician shortage and said the two chambers would work together on funding solutions.

Teaching Hospitals

Broward Health Jackson Health Mount Sinai Medical Center Orlando Health UF Health Shands Hospital UF Health Jacksonville Tampa General Hospital

Public Hospitals

Halifax Health Lee Memorial Health System Memorial Healthcare System Sarasota Memorial Health Care System

Children’s Hospitals

All Children’s Hospital Miami Children’s Hospital

Regional Perinatal Intensive Care Center

Sacred Heart Health System



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Governor Rick Scott has also made closing the gap between physician supply and demand a priority. In 2013, the governor proposed – and the Legislature approved – allocating \$80 million in recurring state and federal funds for a new Medicaid medical residency program, saying it was important to create jobs in fields where demand will be high. In his 2015-16 budget package, Governor Scott is proposing to increase graduate medical education funding by another \$7.5 million annually.

The single biggest factor in determining where new physicians practice medicine is where they do their residencies, the study also found. As a result, Florida’s teaching hospitals and medical schools are capitalizing on this finding to reverse the troubling trend in which Florida invests in its medical schools, only to see our new doctors leave for other states to do their medical residencies because there are not enough residency slots in Florida. Ultimately, we are investing millions in educating doctors for other states.

The additional graduate medical education funding would be available to hospitals statewide and would be in addition to the Statewide Medicaid Residency Program, which is based on a hospitals’ residency slots and volume of Medicaid care. Today, over 50 hospitals participate in the SMRP and about 45 of these hospitals have residency programs in shortage specialties, a number that we hope will grow as hospitals are incentivized to create new programs and slots.

“We believe an additional \$20 million in state funding would incentivize the creation of new residency slots and be a major step forward in retaining our medical school graduates. The GME Bonus Program would support homegrown physicians and reduce the specialist shortage that everyone agrees must be addressed now,” said Carlos Migoya, president and CEO of Jackson Health System, Florida’s largest teaching hospital, and chairman of the board of the Safety Net Hospital Alliance of Florida. “We sincerely appreciate the attention that Governor Scott and legislative leaders are giving to this issue, and we look forward to working closely with them as they craft a new state budget for the coming year.

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The Teaching Hospital Council of Florida represents the state’s leading teaching hospitals: Broward Health, Jackson Health System, Mount Sinai Medical Center, Orlando Health, UF Health Shands Hospital, UF Health Jacksonville and Tampa General Hospital. All are part of the 14-member Safety Net Hospital Alliance, a coalition of teaching, public, children’s and regional perinatal intensive care hospitals that provide highly specialized medical care and train tomorrow’s doctors. Last year, the Safety Net hospitals trained 3,646 medical residents in 292 accredited programs statewide, accounting for 72 percent of Florida’s graduate medical education programs.

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