

Safety nets rebrand Medicaid fund as 'critical care' need

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TAMPA — Members of the Safety Net Hospital Alliance of Florida sent their CEOs to meet Tuesday with members of state House and Senate leadership to discuss the future of a \$319 million pot of extra Medicaid money.

The organization has said it wants the money distributed to hospitals with high indigent populations, the way it was last year and as called for in Gov. Ron DeSantis' budget.

To bolster its argument, the trade organization is distributing [two handouts](#) that rebrand the money as "critical care" funds and accuse the Senate of cutting critical care funding.

"Hospitals in Broward, Miami Dade, and Monroe Counties use the critical care fund to treat 84% of the sickest and most critically ill newborns with health challenges," the handout reads. "Yet — the Senate budget TAKES over \$84 million in Critical Care Funding from these hospitals."

The alliance represents 28 hospitals that perform most of the state's Medicaid and charity care. Its hospitals see more Medicaid patients and some of the state's most complicated patients, meaning the most vulnerable would be hurt if the Legislature were to redistribute that money, the group said.

To receive a share of excess Medicaid funds, at least 25 percent of hospital services must go toward Medicaid. This model, secured for the past two years by the Florida House, benefits members of the alliance, many of which are big public, nonprofit or teaching hospitals.

For the second year in a row, the Senate [wants to plow](#) extra funds back into the Medicaid base rate so all hospitals benefit each time they see a Medicaid patient. For-profit systems such as HCA Healthcare would gain from the model because they have smaller hospitals that individually don't see a great number of Medicaid patients but do in aggregate.

The House is proposing to keep the formula the same but cut 3 percent from the Medicaid base rate, which would trim about \$100 million from all hospital funding. The safety nets want to avoid those cuts but back the House model overall because it disproportionately benefits their members.

For-profit providers say safety nets shouldn't have automatic claim to that money since they already get significant government support.

Safety nets have argued for years that their hospitals need additional state resources because their hospitals have become destinations for the poorest patients — an essential part of their mission but also a burden on their bottom line.

This year, they have an additional argument: They also see the sickest Medicaid patients.

"We must ensure the most complicated Medicaid patients have access to the best possible care for their conditions — whether it's a pediatric burn unit or newborn organ transplants," alliance CEO Justin Senior told POLITICO in a written statement. "Cutting care at Florida's high ranking hospitals will hurt patient outcomes."

Senior will have a tough sell to Senate budget chief Rob Bradley (R-Fleming Island), who has grown leery of hospital funding models over the years. Last week, he called on the Senate to put the entire \$319 million into the Medicaid base rate to end the jockeying by hospital CEOs for the funds.