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EDITORIAL: Florida Senate hijacks health funds

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The Florida Senate is attempting to swipe health-care funds from Hillsborough and other urban counties that use local tax dollars to help the poor.

It is a devious scheme, one that would take a portion of Hillsborough's rightful funding to aid counties that did not have the foresight or resolve to invest in their citizens' welfare.

House Speaker Will Weatherford, fortunately, has been adamantly opposed to the plan, which must be negotiated by the two governing bodies

Anybody who cares about responsible government should hope Weatherford and the House prevail over Senate President Don Gaetz and his team.

At issue is the funding formula for Medicaid reimbursements.

Under current law, communities can send local tax dollars to the state in order to increase the state's federal Medicaid match. The state then sends the additional federal dollars that result from a county's contribution back to the donor county.

Hillsborough uses a portion of its half-cent indigent health-care tax to increase its federal match. About 27 counties give the state local taxes to bolster federal Medicaid funding.

The investment makes sense. Medicaid pays far less than the true costs of treatment — about 58 cents on the dollar.

So generating more federal dollars for a community eases the financial burden on "safety net" institutions such as Tampa General Hospital that treat large numbers of poor patients.

For instance, last year Hillsborough sent \$54 million to the state for the federal Medicaid match. This earned \$77 million in federal support. Under current law, the federal \$77 million and local \$54 million go back to Hillsborough.

In a nifty sleight of hand, the Senate plan would divert 45 percent of the federal matching funds generated by those local tax dollars to a statewide pool. Some of that money would go to donor counties, but much of it would go to counties that did nothing to increase the match.

When all was said and done, under the Senate's funding formula, Hillsborough would lose out on about \$15 million — money that now is used to offset the costs hospitals incur treating needy residents.

Tampa General would lose \$7.4 million — all because the Senate is looking for easy health-care dollars.

According to the Safety Net Hospital Alliance of Florida, which represents 14 nonprofit hospitals, the plan would divert \$245 million now earned by large urban counties to the statewide pool for distribution around the state. Nonprofits that focus on the poor would see funds diverted to for-profits.

This is dismaying. The Senate has been thoughtful in trying to devise a fiscally responsible plan to expand Medicaid under the Affordable Health Care Act.

But on this key Medicaid funding plan, the Senate would pick the pockets of responsible counties with the greatest need to reward counties that weren't willing to confront their health-care needs.