



OFFICE OF THE PRESIDENT & CHIEF EXECUTIVE OFFICER

May 18, 2015

Commission on Healthcare & Hospital Funding
Office of the Governor
400 S. Monroe Street
Tallahassee, FL 32399-0001

Dear Chairman Beruff:

Attached is the Sarasota County Public Hospital District d/b/a Sarasota Memorial Health Care System's ("Sarasota Memorial"[s]) response to Gov. Scott's request for information. As a public health system, Sarasota Memorial, which includes Sarasota Memorial Hospital, operates with full transparency, and we are pleased to assist the commission. We sought to provide as many answers as possible, but were unable to respond in several cases, either because of the ambiguity of the request, the limitations of the data form or the proprietary nature of the information requested.

We encourage the Commission to consider our information in the context of our unique role as a regional referral center and the county's health care safety net. Sarasota Memorial is owned and operated by our community and governed by a Hospital Board elected by the voters of Sarasota County.

Our revenue surpluses are reinvested back into our community under the oversight of our elected Board. Strong margins help ensure the health system can meet the current and future needs of our patients. In recent years, we've been able to make critical investments in our community, including:

- A Freestanding Emergency Room and Health Care Center in the medically underserved community of North Port (opened 2009).
- A New Courtyard Tower to replace 50-year old facilities that housed safety net services such as obstetrics, maternity and Level III neonatal intensive care units (opened 2013). Sarasota Memorial is the only hospital in Sarasota County providing these essential services.
- A new Level II trauma program to fill the second available slot in Trauma Service Area 13 (opened 2015).
- Network of Urgent Care centers to provide an affordable alternative to and decompress the ER (ongoing).
- Medical Residency Program to help address physician shortages (launching 2016-17).



In addition to improving quality and access to care, these and other new facilities and services have provided a major economic boost for the region, creating construction and health care jobs.

Increased margins from higher volumes and higher acuity cases also have allowed us to keep the same tax rate for six consecutive years and help offset about \$84 million annually in charity care, bad debt, subsidized care and essential programs for our community, including a free Community Medical Clinic. All told, Sarasota Memorial serves 65 percent of self-paying hospital patients and nearly 90 percent of Medicaid patients in Sarasota County. Despite serving as a regional medical center and providing most of the county's safety net care, Sarasota Memorial charges less than other hospitals in Sarasota County and below state averages for hospital charges, according to Floridahealthfinder.gov.

While a positive margin is important to serving our community, it cannot replace funding from the Low Income Pool, and we appreciate all of the governor's efforts in support of the LIP program.

We look forward to working with the Commission. Please let me know if I can be of any assistance or answer any questions.

Sincerely,



David C. Verinder
President & CEO
Sarasota Memorial Health Care System