



The Florida Senate

Local Funding Initiative Request

Fiscal Year 2024-2025

LFIR # 1646

1. **Project Title**

2. **Senate Sponsor**

3. **Date of Request**

4. **Project/Program Description**

LRH is investing \$4.2 million to expand its Family Health Center to become the Morrell Clinic for its GME Internal Medicine Program. This will add 3,000 sq ft an additional 18 exam rooms.

In the past, the Morrell Clinic has only been open to indigent patients and limited Medicaid patients. This expansion will allow LRH to open the clinic as a medical home to all Medicaid beneficiaries in the community.

Annually, LRHMC has approximately 19,000 Medicaid ED visits with an assigned Severity Index of 4 or 5, indicating primary care reasons. The approx. cost of each Medicaid ED visit at LRHMC is \$530/visit. The approx. cost of each LRH Morrell Clinic visit is \$225/visit. A visit to the Morrell Clinic in lieu of the ED equals an approx savings of \$305/visit. If LRH can influence 50% of the Medicaid ED visits with an ESI level of 4 or 5 to see an internal medicine physician at the Morrell clinic it equals an annual cost savings of approximately \$3.0 million to the Florida Medicaid program.

5. **State Agency to receive requested funds**

State Agency contacted?

6. **Amount of the Nonrecurring Request for Fiscal Year 2024-2025**

Type of Funding	Amount
Operations	800,000
Fixed Capital Outlay	0
Total State Funds Requested	800,000

7. **Total Project Cost for Fiscal Year 2024-2025 (including matching funds available for this project)**

Type of Funding	Amount	Percentage
Total State Funds Requested (from question #6)	800,000	9%
Matching Funds		
Federal	0	0%
State (excluding the amount of this request)	0	0%
Local	1,500,000	18%
Other	6,200,000	73%
Total Project Costs for Fiscal Year 2024-2025	8,500,000	100%

8. **Has this project previously received state funding?**

Fiscal Year (yyyy-yy)	Amount		Specific Appropriation #	Vetoed
	Recurring	Nonrecurring		
>5 years	0	1,000,000	481A	No

9. **Is future funding likely to be requested?**

a. **If yes, indicate nonrecurring amount per year.**

b. **Describe the source of funding that can be used in lieu of state funding.**



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10. Has the entity requesting this project received any federal assistance related to the COVID-19 pandemic?

If yes, indicate the amount of funds received and what the funds were used for.

LRMC no longer receives COVID related assistance. However, during the PHE LRMC received approximately \$20 million in CARES Act funding or our COVID-19 response, i.e. PPE, capital costs, equipment, payroll, testing supplies, and purchased services. In addition, \$6 million in CARES Act funding through the Polk County Board of County Commissioners to offset the cost of operating community COVID-19 testing sites.

Complete questions 11 and 12 for Fixed Capital Outlay Projects

11. Status of Construction

a. What is the current phase of the project?

- Planning
 Design
 Construction
 N/A

b. Is the project "shovel ready" (i.e permitted)?

c. What is the estimated start date of construction?

d. What is the estimated completion date of construction?

12. List the owners of the facility to receive, directly or indirectly, any fixed capital outlay funding. Include the relationship between the owners of the facility and the entity.

Lakeland Regional Medical, Inc.

13. Details on how the requested state funds will be expended

Spending Category	Description	Amount
Administrative Costs:		
Executive Director/Project Head Salary and Benefits		0
Other Salary and Benefits		0
Expense/Equipment/Travel/Supplies/Other		0
Consultants/Contracted Services/Study		0
Operational Costs: Other		
Salary and Benefits		0
Expense/Equipment/Travel/Supplies/Other	Clinical Supplies (\$30,000); Pharmaceuticals (\$725,000); Purchased Services, i.e. Laboratory, Radiology, BioMed (\$25,000)	774,000
Consultants/Contracted Services/Study	General and Medical Malpractice	26,000
Fixed Capital Construction/Major Renovation:		
Construction/Renovation/Land/Planning Engineering		0
Total State Funds Requested (must equal total from question #6)		800,000



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14. Program Performance

a. What specific purpose or goal will be achieved by the funds requested?

Each year at LRHMC there are approximately 19,000 Medicaid ED visits with an assigned Emergency Severity Index of 4 or 5, indicating primary care reasons. The approximate cost of each Medicaid ED visit at LRHMC is \$530/visit. The approximate cost of each LRH Morrell Clinic visit is \$225/visit. A visit to the Morrell Clinic in lieu of the ED equals an approximate savings of \$305/visit. If LRH can influence just 50% of the Medicaid ED visits with an ESI level of 4 or 5 to see an internal medicine physician at the Morrell clinic it equals an annual cost savings of approximately \$3.0 million to the Florida Medicaid program

b. What activities and services will be provided to meet the intended purpose of these funds?

The funds will be used to expand the Morrell Clinic to Medicaid recipients. This can serve as a medical home for Medicaid recipients received non-emergent care in the LRHMC ED. The approximate annual cost savings to the FL Medicaid program is \$3.0 million. This will also serve as the teaching facility for the LRH GME Internal Medicine training program.

c. What direct services will be provided to citizens by the appropriation project?

LRHMC is expanding both the Morrell Clinic (a \$4.2 million capital expansion funded by operating revenue) and adding 9 board-certified physician FTEs and eventually up to 60 internal medicine residents to provide a medical home for Lakeland community members including Medicaid recipients.

d. Who is the target population served by this project? How many individuals are expected to be served?

Medicaid beneficiaries seeking primary care in the LRHMC Emergency Department. Providing a medical home, rather than episodic care, has shown to prevent future ED visits and improve patient health. From August 1, 2022 to July 30, 2023, approximately 40% of ER visits were categorized as non urgent and "primary care" in nature - meaning they could have been treated in the Morrell Clinic. The average cost for and ER visit is \$530 compared to \$225 in the Morrell Clinic. The current projection is 20,000 new Medicaid patients plus 5,000 patients who are beneficiaries of the Polk County Health Plan or indigent.

e. What is the expected benefit or outcome of this project? What is the methodology by which this outcome will be measured?

In the past, LRHMC has received many patient letters sharing how the Morrell Clinic provides a low cost medical home for primary care and management of chronic disease for indigent patients. Several patients commented how having a medical home provided them a venue to manage their chronic disease, i.e. elevated BP, diabetes, and return to the workforce.

Reducing ER visits by 50% for patients who are seeking "primary care" is estimated to save Medicaid ER costs by more than \$3 million. A break down of the number of patients by Emergency Severity Index (ESI) scores 1-5 can be provided for more detail.

f. What are the suggested penalties that the contracting agency may consider in addition to its standard penalties for failing to meet deliverables or performance measures provided for the contract?

Agency standard contract penalties are sufficient.

15. Requester Contact Information

a. First Name **Last Name**

b. Organization

c. E-mail Address

d. Phone Number **Ext.**

16. Recipient Contact Information



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a. Organization

b. Municipality and County

c. Organization Type

- For Profit Entity
- Non Profit 501(c)(3)
- Non Profit 501(c)(4)
- Local Entity
- University or College
- Other (please specify)

d. First Name Last Name

e. E-mail Address

f. Phone Number

17. Lobbyist Contact Information

a. Name

b. Firm Name

c. E-mail Address

d. Phone Number