

Florida District 1

KEEPING HOSPITALS OPEN FOR
HARDWORKING COMMUNITIES

With budget discussions well underway, lawmakers must identify ways to reduce the federal healthcare spend. Some proposals include eliminating or reducing provider taxes that fund Medicaid. These proposals are ill advised. Provider taxes are essential financing tool, especially for fiscally conservative states. Provider taxes allow states to use revenue from hospital taxes, instead of citizen taxes, to support the state share. Without this tool, **District 1** would suffer.

District 1 is home to hardworking families and small business owners who depend on local hospitals for essential care. From rural communities to growing cities, access to quality, affordable healthcare is vital to keeping the district strong. However, many hospitals face financial challenges, putting critical services at risk.

200,000
RESIDENTS ARE UNINSURED OR
DEPENDENT ON MEDICAID

5,900
PREGNANT WOMEN DEPEND ON
MEDICAID FOR MATERNAL CARE EACH
YEAR



In Florida **District 1**, there are 18 hospitals,
including 3 rural facilities,
serving over 800,000 citizens.

SAVING HOSPITALS BY DRAWING FEDERAL FUNDING VIA LOCAL PROVIDER TAXES

Local provider taxes play a critical role in sustaining hospitals across **District 1** by allowing them to access federal matching funds – without requiring citizens to pay more. Unlike other funding mechanisms, provider taxes do not impose any financial burden on local constituents or businesses, or the state. Instead, a local government collects a tax, assessment, or fee – defined as a “provider tax” in the Social Security Act – exclusively from hospitals in its jurisdiction. As long as these provider taxes comply with governing laws and regulations, they qualify as the nonfederal share needed to draw federal Medicaid dollars into Florida.

WITHOUT PROVIDER TAXES, CITIZENS PAY THE PRICE

Provider taxes provide essential funding for **District 1** hospitals, ensuring access to care for uninsured and Medicaid-dependent patients. Without provider taxes, **District 1** hospitals would face significant revenue shortfalls, forcing local governments to either cut hospital funding—risking closures and reduced services—or raise property taxes, shifting the financial burden onto local residents.

Providers	Impacted Counties	Property Tax % Increase to Replace Provider Tax Funding
<ul style="list-style-type: none">Baptist Health SystemJay Hospital - Baptist Health CareNorth Okaloosa Medical CenterSanta Rosa Medical CenterHCA Florida Fort Walton-Destin HospitalHCA Florida Twin Cities HospitalHCA Florida West HospitalSelect Specialty Hospital	<ul style="list-style-type: none">EscambiaOkaloosaSanta RosaWalton	<p>UP TO 32%</p>

Without proper funding, **District 1** faces two harsh realities: **hospital closures creating healthcare deserts or higher property taxes to keep hospitals open.**

Protect Provider Taxes. Protect Healthcare. Protect Communities.