

RURAL HOSPITAL CAPITAL IMPROVEMENT GRANT PROGRAM

Request for FY 2023–2024 State Budget

Funding to modernize and harden rural hospital facilities in a systematic and equitable way that will strengthen Florida’s entire healthcare network.

- **\$10 million recurring to the rural hospital capital improvement grant program**
- **Additional \$10 million nonrecurring to the program to support immediate updates**

The Role of Rural Hospitals

Rural hospitals are licensed acute care hospitals that have 100 or fewer beds and an emergency room, including providers in counties with low population density, sole community hospitals, critical access hospitals, and more. There are 27 rural hospitals in Florida that support over 1100 beds and employ over 5,000 Floridians. **Rural hospitals provide much-needed access to affordable, quality health care for patients close to home.**

Rural hospitals serve as economic anchors in their communities by supporting well-paying jobs and infusing the economy with spending on goods and services. In 2020, rural hospitals in the U.S. contributed \$220 billion in economic activity in rural areas. Compared to their non-rural counterparts, a significantly higher percentage of rural hospitals are owned by state and local governments — 35% compared to just 13% of urban hospitals. Rural hospitals require increased attention from state and federal governments to address barriers and invest new resources in rural communities.

It is critical that Florida’s rural hospitals have the resources to utilize quality technology, equipment, and facilities to provide the highest level of care to their communities.

Background

In 1999, the Legislature created the Rural Hospital Capital Improvement Grant Program through the Florida Department of Health. Subject to legislative appropriation, each rural hospital must receive a minimum of \$100,000 annually, upon application to DOH, for projects to acquire, repair, improve, or upgrade systems, facilities, or equipment. An applicant for the rural hospital capital improvement grant program must provide DOH with a statement of the problem the rural hospital proposes to solve with the grant funds, the strategy proposed to resolve the problem, evidence that the rural hospital has difficulty obtaining funding or that funds available for the proposed solution are inadequate, and more. Between 1999 and 2008, DOH awarded \$34.45 million in grants under the program. **The program has not been funded since 2008.**

**Support Florida’s Rural Hospitals by
funding the Rural Hospital Capital
Improvement Grant Program**



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