

Lee Health's Conversion to Community Nonprofit is a Win for Lee County

Lee Health has been assessing the benefits and considerations of converting to a community-focused nonprofit to determine if conversion is in the best interest of the residents of Lee County. The case for conversion has been clearly articulated by and holds unanimous support from the leadership of Lee Health.

The Wins for the Citizens of Lee County include:



Sustainable future for Lee Health

- Conversion will help to ensure a financially strong and resilient Lee Health which supports a vibrant community in Lee County.
- As the largest employer in Lee County employing over 15,000 staff members and providing more than 2.6 million patient encounters per year, the opportunities conversion provides will help to secure Lee Health's standing in the community long-term.



Continued access to safe and high-quality care

- Stability for Lee Health supports its ability to provide the safe and high-quality care this community has come to expect from its health system for generations to come.



Preserve safety net status in Lee County in perpetuity

- Lee Health embraces its role as the safety net provider in Lee County. Through a contractual commitment with Lee County, Lee Health will formalize its position as the safety net provider for Lee County, caring for patients regardless of their ability to pay.



Assure that no burden is on Lee County taxpayers

- This transition will remove any opportunity to tax the citizens of Lee County in the future. Maintaining a low tax basis is critical to the continuing economic success of the health system and the county.



Fulfill community nonprofit mission for the region

- Conversion will enhance Lee Health's flexibility and help ensure that the productive partnership that Lee Health enjoys with Lee County and its residents continues. This includes working together in innovative ways with EMS, schools, housing and homelessness, veteran's services, and more.



Maintain local control

- Lee Health will continue to be managed and governed by local leaders committed to its not-for-profit mission.
- The new governance structure will include representation from across the community.



Expand programs and services

- Conversion will enable Lee Health to compete fairly in a dynamic and challenging healthcare economy, which can help enhance and diversify programs, services, and community access points to meet patients where they need care.



Ensure promises are kept

- Lee Health fully supports Lee County's proposal to appoint an auditor that is chosen by and reports to the County. The auditor will affirm and document that Lee Health lives up to the promises made to the residents of Lee County.

Frequently Asked Questions

Would conversion to a community-focused nonprofit health system increase the likelihood of Lee Health being acquired by another health system? Is conversion part of a larger plan to sell Lee Health?

Absolutely not. There are no offers or overtures to buy Lee Health and leadership is not considering a sale. Lee Health leadership believes conversion would strengthen the ability to remain independent in the future.

If approved, what, if any, impact would conversion to a community-focused nonprofit have on Lee Health's safety net mission?

It is important to know that Lee Health is strongly committed and will continue to be strongly committed to fulfilling its safety net mission. One of the reasons Lee Health's leadership recommends moving forward with conversion is to ensure Lee Health can continue to fulfill its safety net mission by caring for Lee County's most vulnerable residents for generations to come.

If Lee Health converts to a community-focused nonprofit, who would Lee Health be accountable to?

Just as they are today, as a community-focused nonprofit entity, Lee Health would be accountable as a 501(c)(3) non-profit organization to federal and state oversight agencies, including the Internal Revenue Service, the Centers for Medicare & Medicaid Services, Florida's Agency for Health Care Administration, national accrediting bodies, and others.

As part of this regulatory oversight, and like its competitors, Lee Health would have robust annual public reporting requirements regarding its finances and operations. Additionally, Lee County would be accountable to a special-purpose auditor, chosen by and reporting to the County. The auditor's role will be to affirm and document Lee Health's compliance with its community covenants and commitments.

Does Lee Health receive direct support from taxpayers to help pay for its operations?

No. Although direct support from taxpayers is common for public special district/government health systems like Lee Health, Lee Health does not receive direct tax support to fund its day-to-day operations and never has.

Would Lee Health be granted taxing authority if it converts to a community-focused nonprofit structure?

No. Unlike many other special district/government health systems, Lee Health does not have taxing authority today and has never relied on local tax support to cover the cost of day-to-day operations. This would not change if Lee Health converts to a community-focused nonprofit.

What, if any, impact would conversion have on Lee Health's existing bonds and other debt?

Existing bonds or other debt maintained by Lee Health can be assumed by the new entity that would be established if conversion occurs. There will be no financial burden for Lee County or taxpayers.

How have citizens of Lee County been engaged in this process?

Lee Health has engaged its community members, physicians and team members throughout this process through over two dozen community town halls, public meetings, public hearings, physician town halls, staff town halls and ongoing updates on Lee Health's website, LeeHealth.org/LookingAhead.

Are there costs associated with not converting to a community-focused nonprofit health system?

Yes. As a governmental health system, Lee Health is currently subject to unique restrictions with regard to geography, governance, and strategic planning. At the same time, Lee Health does not get the same benefits as many other governmental health systems such as revenue from taxes. One purpose of the conversion is to "even the playing field" with competitors. Conversion will help position Lee Health as a nimble, flexible, and modern health system that is designed to support its safety net mission without placing a burden on the taxpayers of Lee County.

Stay Informed



We are committed to transparency and to making thoughtful and informed decisions about our shared future. For more details, regular updates and a growing list of answers to questions from our community, please visit:

LeeHealth.org/LookingAhead