Task force will promote tax credit for rural hospitals

By TOM CRAWFORD | Published: SEPTEMBER 27, 2016

Lt. Gov. Casey Cagle has assembled a task force of business leaders to promote the availability of a tax credit intended to help Georgia's financially struggling rural hospitals.

"The idea behind this tax credit is really to create a sustainable financial model for rural hospitals across Georgia," Cagle said at a capitol news conference Tuesday.



"You can't just simply throw money at it — you've got to have real recommendations that are going to impact the bottom line," he added.

The Rural Healthcare 180 Taskforce is a followup to SB 258, a bill passed this year that will allow rural hospitals to solicit donations from individuals and corporations who will in turn receive state income tax credits.

The tax credits are capped at \$50 million, \$60 million, and \$70 million for the next three calendar years, a total of \$180 million. The Department of Community Health has determined that 48 hospitals are eligible to benefit from the tax credit.

Mike Giles of the Georgia Poultry Federation, who is one of the task force members, noted that poultry producers employ more than 50,000 people who live in rural areas, and thus benefit from having a "healthy and productive work force."

"Our job as a task force is to get the word out" about the tax credit, Giles said.

"Day to day, we're all facing almost the exact same challenges," said Kim Gilman, the CEO of Phoebe Worth Medical Center in Sylvester. "The tax credit legislation is a lifeline for us."

There was no mention at Cagle's news conference of Medicaid expansion, an issue that could potentially bring in billions of federal dollars through the Affordable Care Act to pay physicians and hospitals that treat indigent patients.

"Obviously, there's a lot of discussion around the Medicaid expansion," Cagle told reporters afterward. "This, however, has nothing to do with Medicaid expansion. This is all about a tax credit that will ultimately be financially helpful to hospitals."

The task force members are: Giles, former state senator Tim Golden of Valdosta, Dennis Chastain of the Georgia EMC, Baha Zeidan of Azalea Health, Tim Eggena of Healthcare Driftwood Solutions, Don Betts, Jimmy Allen, Jerry Gregory, and Rick Phillips.

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Tags: <u>Casey Cagle</u>, <u>rural hospital tax credit</u>

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