



Provider Relief Funds Needed for Critical Hospitals to Preserve Access to Care for All Californians

- **Additional financial support is needed for critical hospitals that serve vulnerable communities.**
 - ✓ Critical hospitals are vital to their communities.
 - ✓ Critical hospitals serve California's most vulnerable populations, including individuals who are:
 - Low-income
 - Critically ill, particularly children
 - Jobless
 - Homeless
 - Uninsured and underinsured
 - Most impacted by COVID-19
 - ✓ Critical hospitals serve as regional, tertiary-care and trauma centers, ranging from small rural to large teaching hospitals:
 - District and municipal hospitals are the key component of the state's health care safety net in many of California's communities.
 - Designated public and community safety-net hospitals disproportionately provide services to the 8 million Hispanic and Black Californians enrolled in the state's Medicaid program and have much higher uncompensated costs and lower revenues than other providers.
 - ✓ Children's hospitals in California are some of the nation's premier pediatric research centers and provide most pediatric organ transplants, heart surgeries, and cancer treatments.
 - ✓ Two recent "safety-net hospital" distributions failed to include hospitals critical to their communities.
 - ✓ Federal relief funds are essential to the financial survival of these critical providers.
- **California hospitals have made enormous investments to prepare for the pandemic and suffered significant losses while caring for our communities. They need help to continue.**
 - ✓ As the pandemic began in March, nearly 40% of California's 400 hospitals operated with negative margins.
 - ✓ Early and conservative estimates put California hospitals' losses through the end of 2020 at more than \$14 billion. (Kaufmann Hall Report, June 2020).
 - *These losses reflect only lost revenue, not the added costs of preparing for the pandemic.*
 - ✓ California's hospitals have so far received about 4.8% of the Provider Relief Funds — despite the fact that they care for about 12% of the nation's population.