To Continue Protecting Californians, Hospitals Need Congress' Help

When COVID-19 hit, patients needed their hospitals to act. To address the deadliest pandemic in the past 100 years we are:

- **Converting physical space**
- **Suspending many procedures and services**
- **Purchasing PPE**
- **Hiring additional staff**
- **And more**

This response was unprecedented, and it came at a high cost.

Delayed capital projects

Emergency loans

Ongoing COVID-19 expenditures

ED visits down
50%

Operating room volume down
17%*

Operating margins down
139%*

Expenses per discharge up
12%*

*Based on national data from Feb.–March 2020 and CA case study extrapolation.

Conservative estimates put California's short-term losses at more than

$10 BILLION

The Bottom Line

All sectors are hurting, but health care delivery is on the ropes. Hospitals are facing not only a financial crisis, but also a public health crisis. As we work toward the safe reopening of our economy, we must first secure hospitals' ability to serve, so that we have the safety net needed to rebuild. Without aid, this financial crisis will force hospitals to make hard decisions about how to continue to provide care to their communities.

Hospitals care for everyone. Now Congress must care for hospitals.

CALIFORNIA HOSPITAL ASSOCIATION

California Hospital Association
1215 K Street, Suite 800
Sacramento, CA 95814
(916) 443-7401 | www.calhospital.org

Anne O'Rourke
SVP, Federal Relations
aorourke@calhospital.org

COVID-19 Pandemic Federal Legislation and Funding

Bill name	Shorthand	Date	General description	Total $	$ for health care providers	$ distributed to California hospitals
Coronavirus Preparedness and Response Supplemental Appropriations Act		March 6	Provides emergency funding for federal agencies to respond to the coronavirus outbreak.	**$8.3 billion**	**$50 million**	**$4.1 million**
Families First Coronavirus Response Act	Families First or Coronavirus supplemental 2.0	March 18	Provides paid sick leave, tax credits, and free COVID-19 testing; expands food assistance and unemployment benefits; and increases Medicaid funding.	**$3.5 billion**		
Coronavirus Aid, Relief, and Economic Security Act	CARES Act or Coronavirus supplemental 3.0	March 28	Provides economic relief, including $100 billion for the Public Health and Social Services Emergency Fund (PHSSEF) for health care providers.	**$2.2 trillion**	**$100 billion**	**$2.9 billion** (April 10 & 24) **$231.6 million** hotspots (May 1) **$311.6 million*** rural (May 1) *Rural hospitals, rural health centers and rural clinics
Paycheck Protection Program (PPP) and Health Care Enhancement Act	Coronavirus supplemental 3.5 or PPP	April 24	Package includes funding for the PHSSEF for health care providers and testing improvements.	**$484 billion**	**$75 billion**	
	CARES 2 or Coronavirus 4.0		*Just beginning to be drafted, this bill may include OSHA standards, and will likely be focused on the economy. Expect relief for Advance Payments.*			

Funding

Public Health and Social Services Emergency Fund

$175 billion

total from CARES & PPP Acts

- **$30 billion** (4.5%)
  allocated based on Medicare FFS revenue (April 10)
- **$20 billion** (7.9%)
  allocated to true-up previous $30 billion to reflect net patient revenue (April 24)
- **$12 billion** (1.9%)
  COVID-19 hotspots (May 1)
- **$10 billion** (1.1%)
  rural providers (May 1)

$103 billion

Note: %s represent California hospitals' share

CALIFORNIA HOSPITAL ASSOCIATION

Hospital Council Northern & Central California

HOSPITAL ASSOCIATION OF SOUTHERN CALIFORNIA

HOSPITAL ASSOCIATION of San Diego & Imperial Counties

Now is not the time for unworkable Aerosol Transmissible Disease Standard

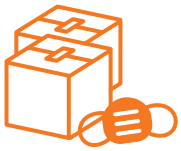
Hospitals want to do all we can to protect those on the front lines of COVID-19, but applying airborne precautions that would require the use of N95 respirators for routine care of known or suspected cases of COVID-19 would not help health care workers. Here's why:

Airborne vs. droplet: First thought to be airborne, the World Health Organization and the Centers for Disease Control and Prevention now hold that transmission is primarily through droplets.

Mixed signals: At one point, Cal/OSHA's guidance conflicted with infection control directives from the California Department of Public Health. This led hospitals to use N95 respirators when a standard facemask was appropriate, exacerbating the shortage of N95s.

Changing course: Cal/OSHA is now aligned with the state health department and CDC, allowing for the use of facemasks for routine care. Earlier guidance caused mass confusion and hindered the state's ability to prepare for this crisis.

More harm than good: A shift to federal OSHA mandated use of airborne precautions will harm health care workers, because a N95 respirator requirement will quickly deplete current stocks, which are in extreme short supply and the science indicates they are not required for routine care.



Striking the right balance: While the CDC continues to recommend airborne precautions, it recognizes the global shortage of N95 respirators, recommending strategies to optimize the current supply of N95s and, consistent with global public health guidance, allows use of facemasks for routine care.

One size does not fit all: A nationwide standard doesn't account for localized public health emergencies and the shortages of personal protective equipment that arise during surge events.

Redundant regulations: There is no need for Congress to require nationwide ATDS-respiratory protection is already covered under Fed/OSHA regulation 29 CFR 1910.134.

Trust public health: Hospitals and their communities look to public health experts for guidance on personal protective equipment. Creating a new standard at this time is not supported by public health experts and will exacerbate the shortage of N95s that are needed to protect workers performing high-risk procedures involving patients suffering from COVID-19 and other infectious diseases.

CALIFORNIA HOSPITAL ASSOCIATION

California Hospital Association
1215 K Street, Suite 800
Sacramento, CA 95814
(916) 443-7401 | www.calhospital.org

Anne O'Rourke
SVP, Federal Relations
(202) 488-4494 | aorourke@calhospital.org