

## Lessons from COVID-19 Pandemic Call for Fresh Approach to Hospital Disaster Preparedness

### The Issue

The COVID-19 pandemic has fundamentally changed how we all think about, and prepare for, disasters. For hospitals, **the pandemic has proven that they can quickly mobilize to meet the rapidly evolving needs of their communities whenever — and whatever — disaster strikes.**

Over the past year, hospitals across California responded to the unprecedented challenge posed by the pandemic, including quickly converting spaces to create triage units and increase ICU capacity, redeploying staff, transferring critical supplies (*including PPE*) to those facilities hardest hit, postponing non-emergency procedures, and bringing in necessary additional resources, including staffing, to care for critically ill patients.

These extraordinary efforts saved millions of lives, but they also drained significant financial resources from hospitals, and it will take years to return to any sense of normalcy. California hospitals lost more than \$14 billion in 2020, and even with federal financial relief, hospitals in the Golden State still had a net loss of more than \$8 billion last year. And even though the number of COVID-19 cases has declined, the financial losses continue to mount, with California hospitals expected to lose up to an additional \$2.2 billion in 2021.

As a result of lessons of the past year, **it's time for state lawmakers to take a fresh look at a 1990s-era state law that will both impose billions of dollars of costs on hospitals and — if not modified — will result in hospital closures across the state.**

### What's Needed

If we have learned anything during the pandemic, it's this — **hospitals need flexibility to deploy innovative approaches to care for patients in a disaster.** The future of hospital *disaster response must be focused on ensuring people's health care needs are met*, not on complying with arbitrary, outdated regulations that gird the infrastructure of the past.

**Hospitals also must be able to invest in a strong, well-trained workforce** that can treat the trauma, injury, and illness that results from a disaster, while also being able to safely evacuate patients when appropriate.

It's imperative that the Legislature **adopt the proposal being advanced through the state budget process that will re-focus the state's 2030 hospital seismic requirements to be fully operational on only those buildings that provide *emergency services.***

Under this proposal, hospitals will have until 2037 to comply with the requirements, providing hospitals with the breathing room necessary to financially recover from the pandemic. Additionally, this proposal will require many hospitals to strengthen existing buildings that house non-emergency services.

Hospitals know they would be remiss in their obligations in seeking these reforms if their buildings were not already safe. Today, more than 96% of all patient care buildings have met the state's rigorous seismic safety construction standards, with the remaining handful of buildings required to come into compliance no later than 2025. This means patients and workers will be safe when the next earthquake strikes.

Modernizing the state's hospital disaster preparedness standards also will help preserve access to care. **More than two-thirds (64%) of California hospitals have not yet been able to meet the 2030 seismic operational standard.** And, **given the estimated \$100+ billion price tag of the current law, it's doubtful that many hospitals will be able to comply.** Those that can't meet this requirement will be forced to close their doors. Forever.

No community wants to see their local hospital being forced to close because of an outdated state law. While some stakeholders are concerned this proposal will result in a lack of health care services for communities recovering from a major earthquake, nothing could be further from the truth. Rather, this proposal will ensure emergency care is available to those who need it — whether before, during, or after the next disaster.

**This proposal also will substantially lower health care costs for California consumers.** At a time when lawmakers, employers, and the public are all concerned about rising health care costs, this proposal is a pivotal shift in the efforts to make health care more affordable for everyone.