

CHA Key Messages

Drawing Upon the Lessons of COVID-19, California Must Modernize its Disaster Preparedness Standards for Hospitals

- 1. California, like states throughout of the country, must draw on the lessons of COVID-19 to think differently about disaster planning.**
 - The COVID-19 pandemic has shown that hospitals can quickly mobilize to execute emergency preparedness plans and employ flexible approaches to care for patients with the greatest needs during a disaster.
 - During the pandemic, hospitals rapidly converted spaces to create triage units and increase ICU capacity, redeployed staff, transported critical supplies (*including PPE*) to those areas hardest hit, postponed non-emergency procedures, and brought 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 the losses are continuing to mount, with hospitals expected to lose up to an additional \$2.2 billion in 2021.
- 2. Modernizing the state's hospital disaster preparedness standards will help preserve access to care before and after the next disaster, while also helping to keep health care costs in check.**
 - If we have learned anything during the pandemic, it's that hospitals need flexibility to deploy innovative approaches *to care for patients* in a disaster.
 - Hospitals also must be able to invest in a *strong, well-trained workforce* that can treat the trauma, injury, or illness that results from a disaster, while also being able to safely evacuate patients when appropriate.
 - That's why an outdated, 1990s state law requiring hospitals to spend billions of dollars on ensuring the continued operation of *buildings* after a major earthquake must be modified.
 - More than two-thirds (64%) of California hospitals have not yet been able to meet this operational requirement. Unless the existing law is changed, hospitals unable to comply with this standard by Jan. 1, 2030, will be forced to close their doors. Forever.
 - This proposal also will substantially lower the estimated \$100+ billion price tag posed by the current law. 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.
- 3. It is imperative that the Legislature adopt the proposal through the state budget process that will re-focus the state's 2030 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 this reform if their buildings weren't 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.
- 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.