

ESSENTIAL HOSPITALS NEED TARGETED FEDERAL SUPPORT

Essential hospitals anchor our nation's health care safety net and care for our most marginalized and at-risk communities through natural disasters, mass violence, and public health emergencies (PHEs), including COVID-19, the opioid epidemic, and monkeypox. The COVID-19 pandemic took its heaviest toll on the patients and communities our hospitals serve—those experiencing socioeconomic and structural barriers to care. Sociodemographic factors greatly influence patient health status, making essential hospitals' patients most at risk during PHEs, which are especially harmful to those with underlying health conditions.

Further, hospitals with a safety net mission continue to go above and beyond by realigning capacity and suspending elective procedures to accommodate more PHE patients; distributing vaccines through innovative programs to overcome hesitancy, including among historically underrepresented populations; and providing telehealth services to patients and to support other hospitals.

These hospitals, which operate on much slimmer financial margins than other hospitals, experience pandemic surge-related challenges acutely and need more support to best serve the patients most in need. This has been especially true as omicron and its BA subvariants continue to drive COVID-19 infections.

HOSPITALS OF THE SAFETY NET STILL STRUGGLING

Throughout the pandemic, essential hospitals have faced shortages of supplies and personnel, case surges that overwhelmed their capacity, and an uncertain financial future. They feel the lingering impact of the PHE most intensely in their workforce, where they struggle to recruit and retain an adequate number of clinicians to ensure continuity and access to care for those who need it most.

Further, although COVID-19 cases are declining nationwide, these hospitals have not recovered from the pandemic's harmful effects on their workforce and financial stability, and they need additional federal resources. These are but a few examples of challenges they face:

- Workforce costs continue to soar and are expected to continue at these levels. One essential hospital reported a \$41 million shortfall already for 2022. Another expects an \$80 million shortfall this year, due to unbudgeted workforce costs. Another hospital shared that its staffing costs have increased by 300 percent in the past six months.
- Patient volumes at many essential hospitals have not returned to pre-COVID levels.
- Most of our hospitals suspended elective procedures this year due to resurgent COVID-19 cases caused by new variants.

OUR ASK

To ensure hospitals that fill a safety net role can remain on the front lines of public health emergencies and serve the nation's most underrepresented patients and marginalized communities, we ask for \$7 billion in targeted funding for these hospitals.