



Advancing Health in America

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AHA STATEMENT ON NEW YORK TIMES ARTICLE ON HOSPITAL FINANCES AND COVID RELIEF

**Rick Pollack
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May 22, 2021

Today's New York Times article tells a misleading story about COVID-19 funding for hospitals and health systems. It also falls short in acknowledging the lifeline integration was able to offer hospitals struggling to navigate the pandemic.

At the start of the pandemic, Congress rightly directed funding to hospitals, health systems and other providers rapidly to keep critical services available to patients and hospital doors open to the community. The first priority in the initial distribution was to get funding out quickly; the hospital field did not choose the formula. Subsequent allocations were more targeted, and these funds were especially crucial for smaller, standalone hospitals that were not able to benefit from the resources of a larger system. Providers are held accountable for every penny of these funds under law and there will be a reporting and auditing process once the pandemic ends. Funding that goes beyond the uses Congress specified will be returned.

While we appreciate this vital funding, it did not fill the financial gap COVID-19 created. Hospitals are projected to lose between \$53 and \$122 billion in 2021 on top of losses of more than \$320 billion in 2020. Many hospitals and health systems faced tough financial situations prior to COVID-19 and those difficulties have worsened.

The move toward integrated care was an important way to keep care available in local communities and was underway well before COVID-19. But the challenges of the pandemic also led some hospitals in some communities to join integrated systems to remain financially stable. Being a part of a system has been a lifeline for those hospitals and their patients in terms of financial, technical, material and professional support, and life-saving care.

With COVID-19 cases declining and hospitals and others continuing to vaccinate their communities, many hospitals are returning to more regular operations. But this does not lessen the importance of the funds Congress provided for hospitals that otherwise would have closed or nearly closed, nor does it diminish how integration within a larger system saved many from the same fate.

Our work to defeat the virus is also far from over. Over the last week there were more than 200,000 new COVID cases and 4,019 deaths.

As our country continues to emerge slowly from the pandemic, the value of America's hospitals and health systems – and the 6 million women and men who work there – has never been more apparent. Their bravery, compassion and unwavering dedication have saved countless lives, helping to restore families and preserve entire communities.

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