

# CHA Media Statement

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## **CHCF Report Confirms California Hospitals Experiencing Substantial “Financial Shock” Due to COVID-19 Response**

“Since the onset of the COVID-19 pandemic, California’s hospitals answered the call to respond to this unprecedented crisis — incurring enormous, unplanned expenses for staffing, equipment, and supplies while simultaneously cancelling non-emergency and elective procedures,” said Carmela Coyle, President & CEO of the California Hospital Association. “These actions have resulted in more than \$10 billion in short-term losses, a figure confirmed by the California Health Care Foundation, yet hospitals took the actions willingly because it was the right thing to do. CHCF’s new, independent, study confirms the depth of the other crisis we are now facing — a ‘financial shock’ to hospitals so severe that it will impede hospitals’ ability to keep staff, prepare for a COVID resurgence, and care for their communities.”

“For the past several weeks, hospital leaders up and down the state have been sounding the alarm about the devastating fiscal crisis they now face as a result of responding to the pandemic,” Coyle said. “The CHCF report lays out in stark terms just how acute these challenges are — and will continue to be — for the foreseeable future.”

“Hospitals are essential to California’s economic recovery. Schools and business cannot reopen, government services cannot operate, and people cannot return to work unless hospitals are open, staffed, and ready to care for those in need,” Coyle added. “In this moment, we renew our call for our state’s elected officials to stand up for hospitals — just as hospitals have stood up for all 40 million Californians. We urge legislators and Governor Newsom to prioritize California’s hospitals in the state’s budget negotiations by allocating \$1 billion in financial relief by June 30.”

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