



Ohio Children's Hospital Association

Saving, protecting and enhancing children's lives

The following statement can be attributed to Nick Lashutka, President and CEO, Ohio Children's Hospital Association:

AUGUST 20, 2020 – On behalf of our six member hospitals, their 40,000 employees and Ohio's 2.8 million children and their families, the Ohio Children's Hospital Association (OCHA) extends its sincere appreciation to the United States Department of Health and Human Services, the Ohio Congressional delegation and President Trump and the White House for designating a specific portion of federal COVID-19 relief funds for the children's hospital community.

Children's hospitals in Ohio joined efforts in March to combat the pandemic and flatten the curve. The cancellation and postponement of all procedures considered non-emergent led to an immediate, overnight drop in revenue between 40 and 50%. Since the initial shutdown in March, pandemic financial damage has continued to accumulate with Ohio's six children's hospitals alone losing nearly \$500 million.

Before this allocation, children's hospitals across the country had received only 0.9% of the \$146 billion in federal COVID-19 relief funding to all health care providers. The \$1.4 billion announced recently for pediatric hospitals in the U.S. will provide critical relief for irreversible COVID-19 financial damages and allow us to continue serving all children and families in Ohio, regardless of their ability to pay.

Importantly, children's hospitals are also Ohio's largest Medicaid providers, with more than half of patients (an average of 53%) relying on Medicaid for coverage. Medicaid reimbursements do not fully cover the cost of care, with Ohio's children's hospitals losing 25 cents for every dollar of care provided. Every 1% increase in Medicaid coverage results in an additional \$48 million annual loss for the six members of OCHA. The COVID-19 pandemic and recession will have long-term implications for our state's economy, and disproportionately high Medicaid providers will be uniquely at risk.

This important decision means Ohio children's hospitals are receiving mission-critical relief that will support our ability to continue to provide high-quality cost-effective care to our state's children.