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CHA Education



2023 Rural Health Care Symposium

April 10-11, 2023

Kimpton Sawyer Hotel | Sacramento

WE'RE BACK IN PERSON! Join us in Sacramento on April 10 and 11 to discuss the unique challenges facing rural hospitals, gain insights on navigating health care's financial crisis, and engage with CHA leadership to talk strategy and explore paths to a more stable future.

This C-suite gathering will focus on financial instability issues and feature a CEO roundtable addressing the most important topics in rural health care. It will also provide:

- A deep dive into a proven financial preparedness checklist
- Perspectives from national rural health care organization leaders
- Tips for applying data analytics to improve patient outcomes

New this year, the symposium includes an optional hospital board development session for executives who sit on rural hospital boards.

This will be the premiere gathering of health care leaders offering strategies for surviving the financial and operational challenges crippling so many rural hospitals. Be a part of it!

This is a members-only, invitation-only event.

Registration is open

Regional Association Partners:

Hospital Council — Northern & Central California

Hospital Association of Southern California

Hospital Association of San Diego and Imperial Counties

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/ CHA NEWS

CEO MESSAGE | 02 FEB 2023

Hospital Fragility Spells Danger for CA Patients



Carmela Coyle
President & CEO,
California Hospital
Association, Sacramento

The latest **report from nationally respected hospital consulting firm Kaufman Hall** affirms the likelihood that in the coming months, even more hospitals will be forced to close or reduce services — a troubling prospect for communities throughout California and the unfortunate reality that Madera County residents already face.

In an interview earlier this month, Dr. Jonathan Mayer, an OB-GYN who had cared for patients at Madera Community Hospital, **didn't mince words about the impact the closure is having on the community** : "If you have a car accident, you have to go to Fresno. If you have a heart attack or stroke, you've got to go to Fresno. If you're in labor, and there's a problem, you've got to go to Fresno or Merced. If someone needs acute care, and there's delay in transport, it can mean the difference between life and death ... Patients are going to die."

The report from Kaufman Hall, which has been tracking hospital fragility for several years, notes that **2022 is the worst financial year for hospitals since the pandemic began** . To share just one troubling figure from the January 2023 report: Hospital margins in the western United States were down 69% in 2022 compared to 2019. That's the worst of any region in the country, and while talk of "margins" often carries overtones of Wall Street and profits, for hospitals they mean something quite different. Low or negative margins simply mean hospitals have fewer resources for nurses, blood supplies, X-ray technicians, behavioral health specialists, and more.

For Madera, it meant that things got so bad the hospital simply couldn't survive. **Rob Poythress, Madera County supervisor and member of the hospital's board, summed it up well in an interview with KVPR** this week, offering that the rising costs of care were too much to keep up for the low rates offered by Medi-Cal insurance reimbursements — ultimately dooming the hospital.

Madera County, where nearly 70% of the population is non-white, is not alone in facing these challenges. Dozens of other hospitals — many of which serve high numbers of Medi-Cal patients — are at great risk due to the fact that **California pays just 74 cents for every dollar it costs to provide care** .

Without help, cities and towns throughout the state are on track to lose vital community pillars of health care services and jobs. A few examples:

- Kaweah Health in Tulare County is **being forced to shed jobs and reduce services to keep the hospital afloat** in the face of deep deficits.
- Hazel Hawkins Memorial Hospital in Hollister **received a loan that will help cover expenses through mid-March** , but there are no concrete paths forward after that at this time.
- El Centro Regional Medical Center in Imperial County is facing grave prospects as it is **projected to run out of resources to cover costs by April.**

The crisis is not theoretical. It's happening now, before our very eyes. What has transpired in Madera County will be replicated in other parts of California unless immediate relief is provided. And once a hospital closes, it is incredibly difficult to reopen at all, let alone reopen with the same level of services that Californians need and deserve.

As lawmakers consider their budget priorities for this year, including a \$1.5 billion lifeline to support care for patients, we should contemplate that if we think the cost of keeping hospitals open is too great, we can just ask the people of Madera County about the costs of allowing one to close.